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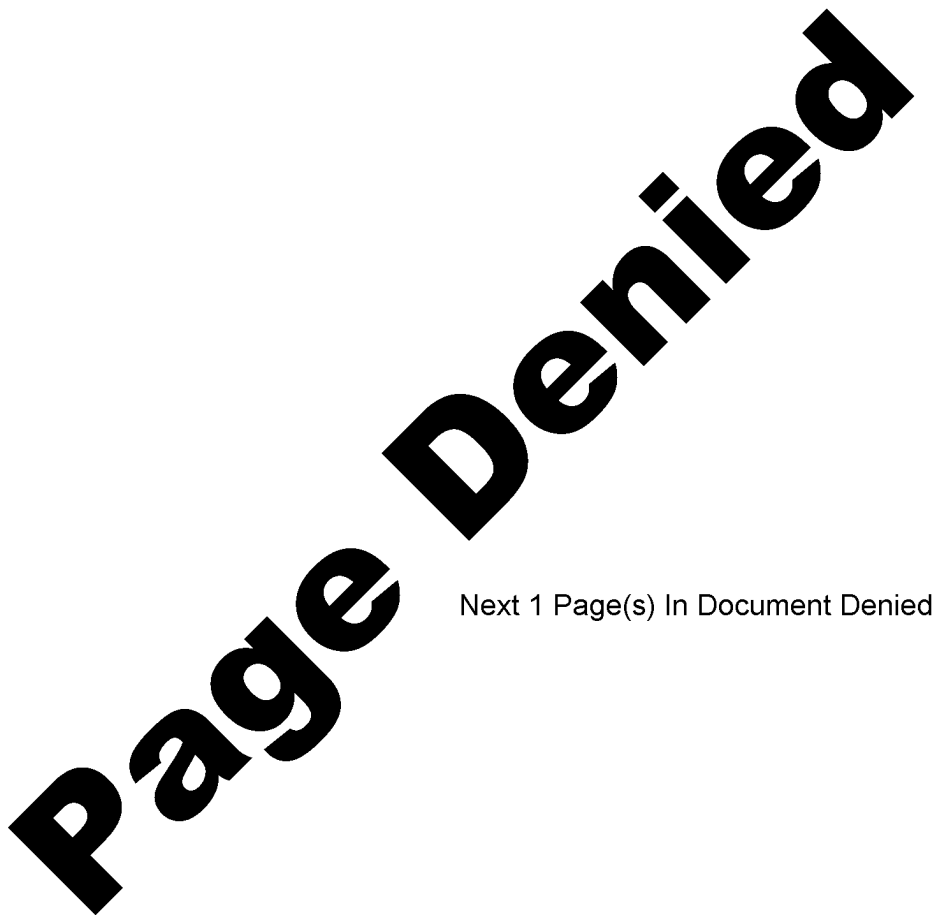

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Vol. 118, No. 2 ■ September 20, 1985 ■ ISSN 0745-7065

SCHOLASTIC

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THE EXECUTIVE BRANCH AT WORK

Viewed from the perspectives of American History • U.S. Government • Economics • Sociology • World Cultures

REGULATIONS | TAXES | SPENDING | POLICIES

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OXY

AN INTRODUCTORY COURSE

ACNE: WHAT REALLY CAUSES IT? AND WHAT REALLY DOESN'T CAUSE IT?

The good news is that for most people, chocolate, candy bars, nuts and cola do *not* cause acne.

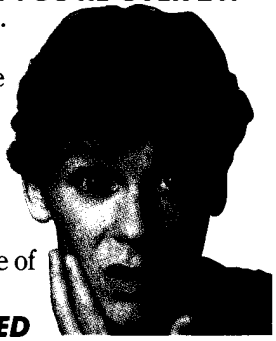
The bad news is that your body's maturing *can* lead to acne. And you can't do much to keep your body from maturing (even if you wanted to!).

Here's what happens. When you start maturing, the body steps up its production of hormones. In both males and females.

This can stimulate your sebaceous glands—the oil-producing glands on your face, back, and shoulders. They, in turn, can produce sebum that can react with acne-causing bacteria. And turn into what is unfondly known as a pimple.

DOES ALL THIS STOP WHEN YOU'RE OVER 21?

Unfortunately, not always. This reaction within your sebaceous glands can continue —well into your twenties!



CAN ACNE BE CURED?

Up to 90% of all people in their teens develop acne in one form or other. Not one of them welcomes it—and not one of them can cure it. But...

ACNE CAN BE CONTROLLED

With proper cleansing and treatment during the teen years and early twenties, pimples can be minimized in most individuals. Even more important, you can help save your skin from permanent scarring.

HOW TO HEAL THE PIMPLES YOU ALREADY HAVE.

This is no time to beat around the bush, or cloak ourselves in false modesty. The truth is: Of all the acne medications you can buy, not one of them beats OXY-10.®

OXY-10 contains the strongest medicine you can put on your face to kill bacteria—without a prescription.

The medicine is benzoyl peroxide. OXY™ made it famous. There is nothing better for drying up zits in a hurry.

Which OXY product is right for you?

For more stubborn acne pimples, there's OXY-10, with maximum strength 10% benzoyl peroxide. For common zits, there's OXY-5,® with 5% benzoyl peroxide.

And for times when you've got zits and have to make the best of them, make the least of them—with

OXY-10® COVER. It has the same maximum strength 10% benzoyl peroxide formula as OXY-10—and it conceals as it heals!

HOW TO KEEP FUTURE PIMPLES FROM HAPPENING.

There is no way to guarantee you won't get zits. But with a little help from OXY, you *can* help prevent a lot of them.

Remember, zits are caused by sebum in those relentless sebaceous glands, reacting with acne bacteria.

OXY gives you ways to fight back. Read on.

OXY CAN BE TWO PLACES AT ONCE.

OXY not only dries up the zits you already have... it helps stop the zits you're going to get.

That's because OXY can be two places at once: on the surface of your skin, to dry up zits...and deep

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TO SKIN CARE. AND OXY.™

down in your pores, to kill acne bacteria before new acne pimples can form.

SORBOXYL®: THE OIL ABSORBER.

Excess oil not only spoils your appearance...it can ruin your day.

That's why we added SORBOXYL® to OXY-5, OXY-10 and OXY-10 COVER. Nothing beats it for absorbing oil.

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CLEANING THE OLD WAY—OR THE RIGHT WAY?

The old way of attacking acne is with soap and water. But the old way doesn't wash anymore. Because soap and water can't get beneath the surface of your problem. So they can't cope with blackheads. Or clogged pores. Or acne bacteria.

The right way to wash today is with OXY-10® WASH. It does a job that soap and water can't do. It goes places soap and water can't reach. OXY-10 WASH washes more than skin deep.

OXY-10 WASH goes deep down in you pores, where acne bacteria and sebum react to form zits. So it gets them before they get you.

CLEAN IT LIKE YOU MEAN IT!

Blackheads and clogged pores can happen to the best of faces. And they happen to be very tough to get rid of.

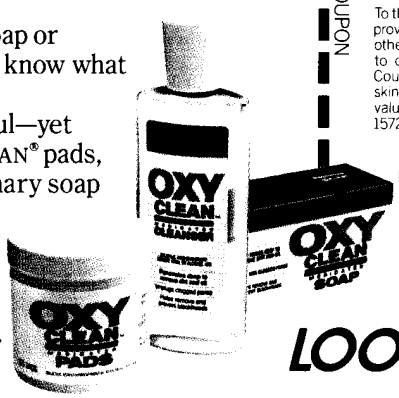
If you're using an ordinary soap or cleanser to do the job, you don't know what you're missing.

You're missing the powerful—yet gentle—medication in OXY CLEAN® pads, cleanser and soap. And no ordinary soap or cleanser has it.

That's why OXY CLEAN cleans a whole lot *cleaner* than ordinary cleansers. A whole lot *deeper* than surface dirt and oil.

OXY CLEAN works deep down in your pores. To *unclog* your pores. Help remove *blackheads*. Even help keep zits from happening in the first place.

So, when you clean your face with OXY CLEAN, you clean it like you mean it.



OVERSCRUBBING CAN BE HAZARDOUS TO YOUR FACE.

Scrubbing your skin too long or too hard is worse than no scrubbing at all. It can literally—permanently—damage your skin. Scrub *gently*. With OXY CLEAN® SCRUB.

It helps whisk away the thin layer of dead skin cells and then *dissolves*, leaving your skin feeling fresh and looking its best.

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The question is, can you afford *not* to use OXY? But just to make things easier, we're offering you *$3.70 in savings!*

Just fill out the 30¢ coupon below, redeem it in your favorite store, and we'll send you a *year's* supply of OXY coupons worth $3.40!

So you can save a little cash while you save your skin.

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To the customer: Do not mail this coupon. Please redeem this coupon at your favorite store. This coupon will be honored on any purchase of Oxy™ acne skin care product. To receive your year's supply of Oxy coupons worth $3.40, just fill in your name and address below and we will send them to you in the mail.

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Now you can see his confidence and determination in his face. They were developed through tough Marine Corps training. It's where we start. We take young men, good men, and make them better. Our DIs work with them, lead them and instill in them pride,

confidence and respect—for both themselves and others. If you're tired of being just another face in the crowd, call toll free 1-800-THE-USMC.

We're looking for a few good men.

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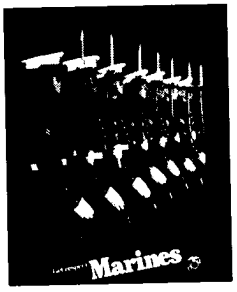

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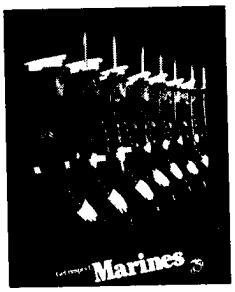

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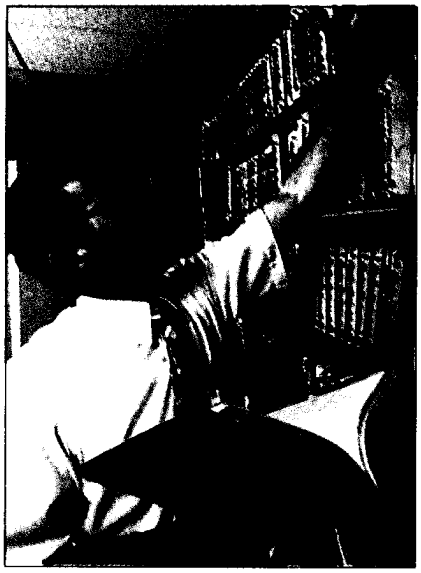
UPDATE®

September 20, 1985 ■ Vol. 118, No. 2

The Executive Branch at Work



To perform its many functions, the Executive Branch employs nearly 3 million civilians. Among them is this specialist in food safety. An article that begins on page 23 describes his job.

Cover illustration: Jeff Seaver

4 Where U.S. Bureaucrats Work
Most of the 2.9 million civilian employees of the Executive Branch *don't* work in Washington, DC. This map shows you where the jobs are.

5 A Costly Giant That We Can't Do Without
Workers in the Executive Branch earned $76 billion this year. That's a hefty payroll, but it's one that Americans have decided they want to pay.

6 The View from the Oval Office
To get U.S. bureaucrats to respond to his wishes, President Reagan maintains two smaller bureaucracies: the White House staff and an "inner circle."

8 The Reagan Cabinet—and 13 Cabinet Departments
Profiles of the 13 Executive Departments and the men and women who run them suggest how broad the Executive Branch's responsibilities are.

11 From Spoils to Merit: 195 Years of the U.S. Civil Service
Presidents regularly discover that the bureaucracy has a will of its own. This is why nearly every President has battled to reform the bureaucracy—and lost.

14 President Reagan's Campaign to Shrink Government
The President's campaign is doomed to partial success, observers say, partly because Americans cannot agree on what government's proper role should be.

17 An Insider Assesses the War on Waste
A top OMB official describes gains his agency has made against inefficiency and explains why he feels the U.S. is still spending too much.

18 Wordpower
If you're having trouble telling an *entitlement program* from an *executive order*, you might want to read this glossary.

23 How the FDA Okayed NutraSweet
A lot of people in the government spend their days protecting your health. This article introduces you to a group of them at the Food and Drug Administration.

26 The Puzzling Ways Americans View Bureaucrats
Americans generally feel good about those civil servants they meet. Yet we tend to look at bureaucracies through the media's eyes—with suspicion.

28 DataBank: Workers, Pay, & Paperwork
Charts and graphs show how money fuels the bureaucracy, and how regulations, one of the bureaucracy's major products, have increased through the years.

30 Three Nations Where Bureaucrats Fight Change
Bureaucratic reform isn't a goal just of U.S. leaders. Civil servants are under fire in China, the United Kingdom, and the Soviet Union.

38 Puzzle Page
A Wordsearch, Crossword, and Scrambler, all tied to the Executive Branch.

NEXT TIME (Oct. 4): "The 1985 World Affairs Annual"—the latest data on all the world's nations. The charts and maps in this special issue are designed for ready reference throughout the year. Plus: a 10-page report on the U.S. trade deficit and what it means to you.

Maurice R. Robinson, founder of Scholastic Inc., 1895-1982

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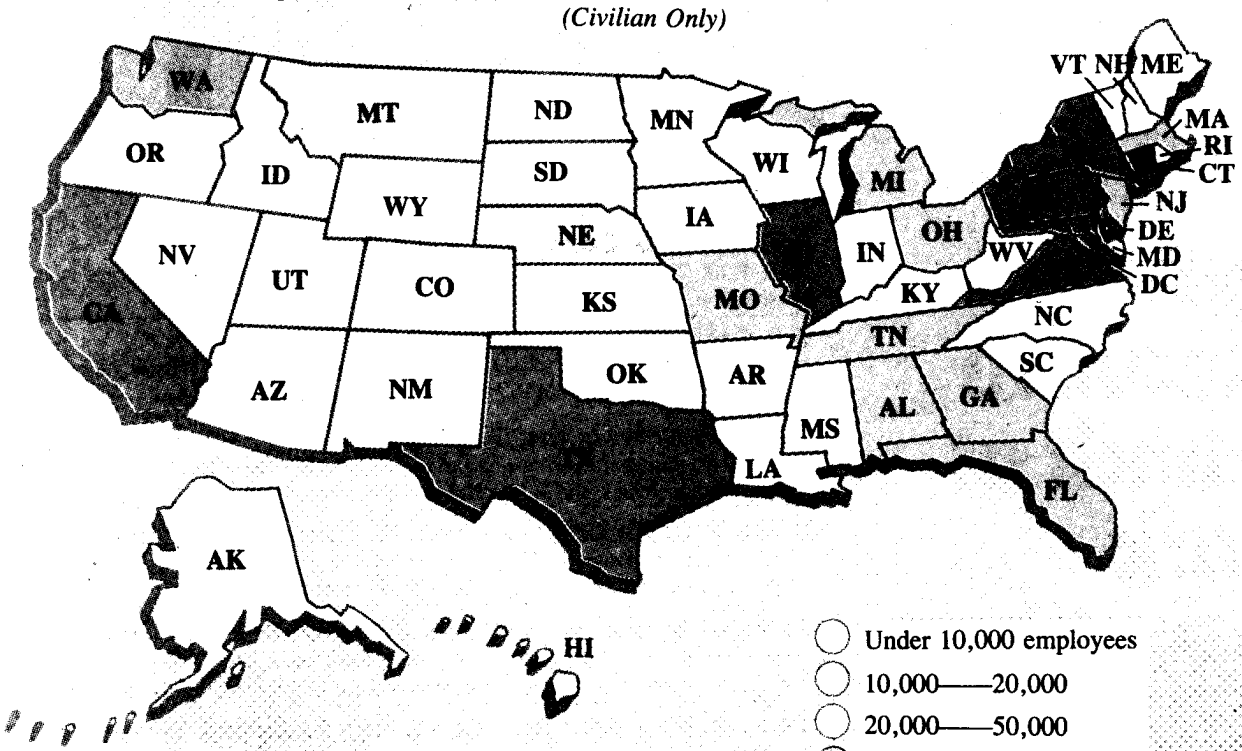
WHERE U.S. BUREAUCRATS WORK

(Civilian Only)



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Council of Economic Advisers
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Environmental Protection Agency
Equal Employment Opportunity Commission
Farm Credit Administration
Federal Communications Commission
Federal Deposit Insurance Corporation
Federal Election Commission
Federal Home Loan Bank Board
Federal Reserve System (Board of Governors)
Federal Trade Commission
Interstate Commerce Commission
NASA
National Labor Relations Board
National Science Foundation
National Transportation Safety Board
Nuclear Regulatory Commission
Peace Corps
Postal Rate Commission
Securities & Exchange Commission
Selective Service System
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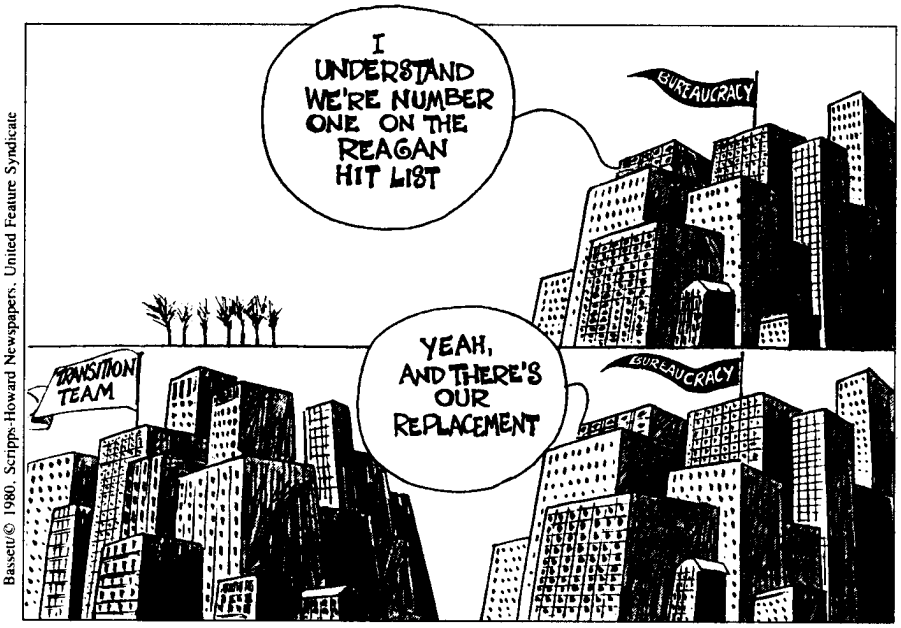
A COSTLY GIANT THAT WE CAN'T DO WITHOUT

The bureaucracy that is the core of the Executive Branch is a "permanent government." It provides continuity, helps set national goals, and turns political decisions into actions.



Bassett/© 1980, Scripps-Howard Newspapers, United Feature Syndicate

This cartoon, drawn in 1980 shortly after Ronald Reagan's election to the Presidency, provides an important reminder. Without the non-elected civil servants who make the wheels of government turn, no President could accomplish anything.

In 1790, the population of the United States was 3.9 million. Today, the civilian staff of the Executive Branch, which President Reagan heads, is three quarters that size—2.9 million. Add the 2 million men and women in the armed forces, and President Reagan has nearly 5 million people at his command.

Or so it seems. The bureaucrats who staff the Executive Branch appear to be working solely for President Reagan, but they are, in fact, working for you. This issue of UPDATE shows how. It also explains how the federal bureaucracy developed and why President Reagan wants to reduce its scope. Further, it gives you a chance to compare civil servants in the U.S. with those in the Soviet Union, China, and the United Kingdom. (See World, page 30.)

The federal bureaucracy has often been referred to as the "permanent government." Its basic function is to keep the government running, year in, year out, whatever political party is in control. And that's exactly what it does. When President Reagan leaves office in January, 1989, all but a few thousand political appointees at the very top of the bureaucracy will stay on the job. They will continue to deliver the mail, manage federal lands, issue passports and Social Security checks, collect taxes, and provide thousands of other services.

TRANSITION PERIODS

All Presidents lean heavily on the bureaucracy, especially early in their terms of office. At first, top-level bureaucrats are, in effect, "seeing eye dogs" for the inexperienced men and women chosen to head federal agencies. The appointees rely on the more experienced bureaucrats for direction.

And the bureaucrats are eager to help. So eager, in fact, that much of their advice shapes policies—overall goals for government action. Hundreds of policy decisions are made during a Presidency's early stages—none without information provided by the bureaucracy. No Administration can decide on an appropriate level of defense spending, for example, without first consulting bureaucrats about the nation's defense needs.

A second key role played by the bureaucracy is executing decisions made by superiors. The President and his advisers may decide it's time to negotiate a disarmament agreement with the Soviets, or sell off surplus federal land. The actual arms negotiations, like the auctioning off of the land, is done by bureaucrats.

BUREAUCRATIC POWER

The role the bureaucracy plays in getting jobs done gives it enormous power. Most Presidents quickly learn to appreciate that power. A few learn to harness it. (See History, page 11.)

The size of today's federal bureaucracy would surely baffle George Washington. But he might be less baffled if he could understand the demands made on government today. Who would have thought, 195 years ago, that the government would be called upon to certify the safety of toys or set nutritional standards for school lunches? In 1985, the U.S. employs more than 100,000 men and women to write rules on everything from the environment to artificial sweeteners. (See Special Report, page 23.) The National Aeronautics and Space Administration employs about 25,000 people to exploit space.

The nation's role as a world power requires sizable expenditures. Some 130,000 civilian Americans represent the U.S. in more than 130 nations. Nearly half a million military personnel are stationed at more than 300 military bases abroad.

The U.S. government has more jobs to do than ever. It needs a record number of workers to perform them. That's one reason why President Reagan's campaign to limit government's role, though successful in some areas, has met resistance in others. (See Economics, page 14.) And it's a vital reason for understanding how the bureaucracy—the core of the U.S. Executive Branch—really works.

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THE VIEW FROM THE OVAL OFFICE

The U.S. Chief Executive's job is complicated by the fact that he has so many roles to fill. He is not king, not a figurehead, not a prime minister. He is a little of them all, as a look at his job reveals.

Pete Souza/The White House

The President in the Oval Office with Donald Regan (left), Vice Pres. George Bush, and Robert McFarlane (right).

The speed of the boss is the speed of the gang," goes an old saying about motivating workers. If that's true, the pace of the U.S. Executive Branch is set by its chief, President Ronald Reagan.

Setting that pace keeps the President busy, as a glance at a typical daily schedule indicates. An excerpt from George Washington's diary in February, 1790, during his first year as President, suggests a more leisurely schedule. No wonder. Washington presided over three Executive Departments. President Reagan oversees 13.

The President's job is complicated by the fact that the U.S. Constitution calls upon him to wear so many hats. Article II of the Constitution, in just 320 words, spells out six of the of the President's jobs. They include:

1. Chief Executive. In this role, the President must "take care that the laws be faithfully executed." With the approval of the Senate, he appoints the top policymakers and managers for each of the Executive Branch's 120 departments and agencies.

2. Commander-in-Chief of the armed forces. The President is responsible for the nation's defense.

3. Chief shaper of foreign policy. The President appoints ambassadors, determines how the U.S. treats foreign governments, and, with the Senate's approval, makes treaties.

4. Chief legislator. The President proposes bills to Congress and has the power to sign into law or veto any bill Congress passes.

5. Appointer of judges. The President helps shape the Judicial Branch. With the Senate's approval, he nominates Justices of the U.S. Supreme Court and federal judges in lower courts. He also has the power to pardon or suspend punishment for crimes against the nation.

6. Head of state. It's the President's duty to "receive ambassadors and other public ministers." In effect, he is a symbol of the nation, like the flag or Uncle Sam.

NEEDED CIVIL SERVANTS

How can one person fulfill these roles—and roles not mentioned in the Constitution, such as chief of his party and manager of the U.S. economy? That's where the federal bureaucracy comes in. Presidents couldn't do all that's expected of them without a lot of help from U.S. civil servants.

The bureaucracy owes its life to Congress. As the nation developed, U.S. lawmakers gradually created the many departments and agencies that President Reagan oversees today.

To manage that bureaucracy, modern Presidents have relied on a smaller bureaucracy—the White House staff. The Executive Office of the President costs $117 million to run this year. Most of that money supports eight agencies, including the National Security Council (NSC) and the Office of Management and Budget (OMB). As big as a moderate-sized corporation, OMB employs some 500 people.

Two Presidents' Thursdays: 1984 & 1790

President Reagan: January 12, 1984

7:45 a.m.: Breakfast with China's Premier Zhao, aides (family dining room)
8:40: Pact-signing ceremony, Zhao leaves
9:15: Drop by meeting of Small Business Legislative Council (Exec. Office Bldg)
9:30: Staff meeting (Oval Office)
9:45: National security briefing (Office)
10:00: Meet Vatican envoy (Oval Office)
10:05: Personal staff time (Oval Office)
12.00 Noon: Lunch with Vice President Bush, personal staff time (Oval Office)
2:00 p.m.: Meet with Cabinet Council on Economic Affairs (Cabinet Room)
3:00: Personal staff time (Oval Office)
4:00: Meet personnel head (Oval Office)
4:30: Drop by meeting of Japanese Trade Mission (Roosevelt Room)
4:35: Photo with Inspectors General (Oval Office)
5:00: Videotape remarks to six gatherings (Diplomatic Reception Room)
6:15: Dinner in family dining room
7:30: Attend play at Kennedy Center
10:35: Arrive back at White House

RIGHT: On Feb. 18, 1790, Pres. Washington, in New York, sat for a painter, dined with Congressmen, and sent a 124-word message to the U.S. Senate.

Thursday, 18th.

Sat for Mr. Trumbull from 9 o'clock till 10: after which exercifed in the poft-chaife with Mrs. Wafhington. On our return home called on Mrs. Adams, lady of the Vice-Prefident.

The following company dined here today, viz: —Judge Cufhing and his lady: the Poftmafter General and his lady: and Meffers. Boudinot, Griffin, Coles, Gerry, and White, and their ladies.

Sent a meffage to the Senate with the copies of a letter from the Governor of Maffachufetts, and a refolve of the Affembly of that State refpecting the difputed boundary between them and the Britifh of Nova Scotia.

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Pete Souza/The White House

Patrick Buchanan, White House head of communications, briefs the President and his Cabinet. The Cabinet generally meets once a week in a room near the Oval Office.

AP Wide World

The President must maintain tight links with Congress. Here, he confers with the Senate Majority Leader, Robert Dole (R-KS), and the Senate Minority Leader, Robert Byrd (D-WV).

Members of the White House staff spill over into the nearby Old Executive Office Building. At one time, that building housed three entire departments: State, War, and Navy.

But times have changed. The White House staff is so large that recent Presidents have created what might be called a third bureaucracy to manage it. This third group—the President's "inner circle"—is headed by a chief of staff, currently Donald Regan. Regan coordinates the work of a host of advisers, spokesmen, assistants, and their deputies from his large office in the West Wing of the White House. The West Wing is the workplace of the President and his closest aides.

DAILY ROUTINE

The President's days are a mix of substance and ceremony. Virtually every minute is tightly scheduled. To keep the President on schedule, one special assistant spends all his time shooing away long-winded visitors.

Most Presidential workdays begin around 8 a.m., at meetings with top staff aides. A briefing on national security by Robert McFarlane is part of the daily routine. Throughout the day, the President usually meets with a stream of Administration officials or Congressional leaders.

The Cabinet—the 11 men and two women who head Executive Departments—usually meets no more than once a week. The President regularly conducts government business over lunch, often with Vice President Bush. Sometimes the White House is the scene of special luncheons for groups such as labor leaders or out-of-town newspaper editors.

Meetings extend into the afternoon. These often include what the White House calls "photo opportunities"—a chance for the press to capture part of the President's day on film. The President's daily schedule also includes an hour or more of "personal staff time" to allow him to read, write, telephone, and take care of other tasks.

The President's evenings generally include official occasions. The Reagans might entertain a foreign head of state or attend a performance at the Kennedy Center for the Performing Arts, which maintains a special box for the President and his guests.

Bill FitzPatrick/The White House

Pres. Reagan, as head of state, toasts China's premier, Zhao Ziyang, at a formal White House dinner early last year.

DEMOCRATIC PRESSURES

Do Americans expect their President to do too much? Perhaps. Presidents have often complained about the pressure of trying to respond to so many different demands in our democracy, where, in effect, every voting citizen is the President's "boss."

Political scientists have even sympathized with them, albeit grudgingly. "The American people . . . see the Presidency as their own property," says Professor Theodore Lowi of Cornell University. "Having given Presidents maximum power to govern and all the help they have ever asked for, the public has rationally focused its expectations on them, counting on them to deliver on all the promises they explicitly made."

How has President Reagan met the demands of his job? Most scholars give him high marks for reviving public confidence in government. Here, his management style—leaving specifics to his aides—has been a plus. "Reagan is never dragged down by details," says Lou Cannon, a *Washington Post* reporter, "because he is never involved in them."

One benefit of this approach is that it leaves President Reagan free to concentrate on overall goals. "He's a Chief Executive who gets up on the bridge of the ocean liner that is our country and who says to his people, 'Take it over that way,' " says an admirer, Ben Wattenberg of the American Enterprise Institute. "He has given the public the sense that he is steering the country in a certain direction."

—David Goddy

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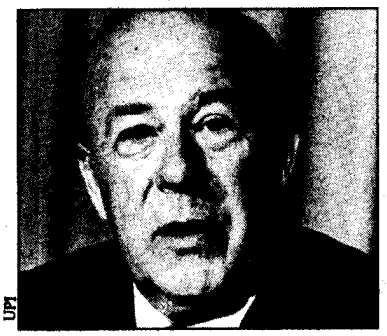
THE REAGAN CABINET—AND 13 CABINET DEPARTMENTS

The U.S. Constitution makes no mention of a Cabinet—an advisory council to the President. But in 1789, the U.S. Congress established three executive departments: State, War, and Treasury. Their chiefs, chosen by President George Washington, became his main advisers.

In parliamentary democracies such as Great Britain's, cabinet members are usually elected legislators whose party has a majority of the seats in Parliament. In the U.S., however, the legislative and executive branches are separate. To head U.S. executive departments, Presidents are most likely to choose, with the Senate's approval, men and women without lawmaking experience. Cabinet members generally meet with the President in the White House once a week. They are joined by the Vice President, the U.S. Ambassador to the United Nations, and several aides.

The Cabinet's role in policy-making has weakened over the past 20 years as the role of the White House staff has grown. Nonetheless, President Reagan's 13 Cabinet members wield great influence. You'll see why when you read these profiles of the leaders and the departments they head.


UPI

STATE

Year Founded: 1789
Employees: 25,100
Budget: $2.9 bil., '85; same asked for '86
What It Does: Directs U.S.foreign relations. Issues passports to U.S. citizens and visas to non-citizens entering the country.
Head: George P. Shultz, 65, ran a California-based engineering and construction company before taking over at State in 1982 from Alexander Haig. Shultz served Nixon as Secretaries of Labor and Treasury and Director of the Office of Management and Budget. Shultz has stressed quiet, unspectacular diplomacy. He advocates sponsoring U.S.-armed rebels who fight Soviet-backed governments, supports military buildup, including "Star Wars" space-based anti-missile program. An economist, Shultz was dean of University of Chicago's graduate business school.

DEFENSE

Year Founded: 1947, combining Depts. of War (founded 1789) and Navy (1798).
Budget: $265.3 bil., '85; $302.5 bil. asked for '86
Employees: 3,267,000, including 1,128,000 civilian workers
What It Does: Civilian office that develops national security policies and administers national defense. Oversees departments of Army, Air Force, and Navy.
Head: Caspar Weinberger, 67, ran the Office of Management and Budget and was Secretary of Health, Education, and Welfare under President Nixon. As Defense chief, he has overseen a major military buildup, which he believes necessary to keep the Soviets at bay. A lawyer, he wrote a newspaper column on California government during the 1960s. From 1975-80 he helped run a global building firm.

TREASURY

Year Founded: 1789
Employees: 123,500
Budget: $176.7 bil., '85; $181 bil. asked for '86
What It Does: Advises on government's economic and tax policy. Manages the public debt. Collects taxes, pays government bills, runs Mint, Secret Service.
Head: James A. Baker, 55, a lawyer from Texas, was the White House chief of staff during President Reagan's first term. There, he negotiated the compromises that got Reagan's budget and tax cuts passed. His biggest challenges in his new job? "Tax reform and deficit reduction," he recently told UPDATE. To that end, he is prodding Congress to simplify the country's tax laws and cut federal spending. "We must reduce government so the American people can prosper," he says.

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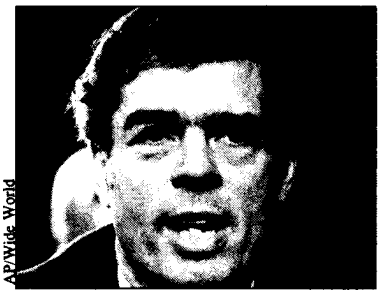
INTERIOR

Year Founded: 1849
Employees: 73,200
Budget: $5 bil., '85; $4.4 bil. asked for '86
What It Does: Chief federal conservation agency that manages most federal land. Preserves and maintains historic and scenic areas. Runs Bureau of Indian Affairs, manages mineral resources.
Head: Donald P. Hodel, 49, was Secretary of Energy before moving to Interior early this year. A lawyer from Oregon, he is expected to continue the policy of speeding development of energy and minerals in public lands. He says he will stop selling federal land to lower the national debt. President Reagan is said to be considering merging the Interior and Energy Depts. into a "superagency," with Hodel as chief.



AP/Wide World

AGRICULTURE

Year Founded: 1862
Employees: 109,000
Budget: $42.7 bil., '85; $38.5 bil. asked for '86
What It Does: Works to improve and maintain farm income and to develop foreign markets for U.S farm products. Runs Forest Service. Inspects meat and poultry for safety, reports on nutrition.
Head: John R. Block, 50, a farmer, has had to sell off part of his Illinois farm to pay off debts, a problem many farmers face. To prop up farm prices, Block set up a program that gives surplus grain and cotton to farmers who agree not to grow crops on all their land. Farmers' income is still expected to drop this year, so Block has postponed plans to tighten up on farm loans and cut U.S. supports for farm prices.

UPI

JUSTICE

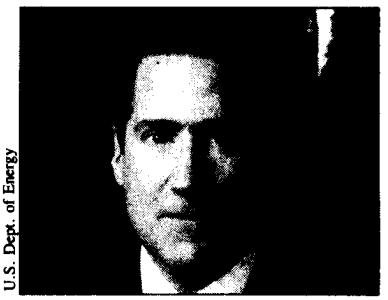
Year Founded: 1870, although an Attorney General was appointed in 1789
Employees: 61,700
Budget: $3.9 bil., '85; $4 bil. asked for '86
What It Does: Enforces U.S. laws, represents government in court, runs U.S. prisons, administers immigration laws. Has civil rights and antitrust divisions, oversees FBI.
Head: Edwin Meese III, 54, a prosecutor in California, became Attorney General this year. A Reagan aide for 20 years, he was a key White House counselor from 1981-85. He is known as a hard-liner on law enforcement. His job running the newly formed Domestic Policy Council, composed of other Cabinet members and White House officials, gives him extra influence.

COMMERCE

Year Founded: 1913; 1903 as part of Commerce and Labor Department
Budget: $1.2 bil., '85; $2 bil. asked for '86
Employees: 33,700
What It Does: Manages public works, charts the seas, forecasts weather, takes the census, collects statistics on nation's output of goods and services, controls imports and exports.
Head: Malcolm Baldridge, 62, ran a Connecticut manufacturing company before becoming Secretary of Commerce in 1981. A backer of free trade, he opposes trying to right the nation's $135 bil. trade imbalance with laws designed to reduce imports. A stickler for clarity, he has ordered all Dept. documents written in simple, plain English. His hobby: rodeo steer roping.

LABOR

Year Founded: 1913; 1903, as part of Commerce and Labor Department
Employees: 18,600
Budget: $23.5 bil., '85; $22.8 bil. asked for '86
What It Does: Promotes the welfare of U.S workers, administers U.S. labor laws, provides statistics on unemployment and consumer prices.
Head: William Brock, 55, a former Congressman and U.S. Senator from Tennessee, was the country's chief trade representative before moving to Labor this year. Eager to repair the Administration's relations with unions, he has held meetings with labor leaders. As head of the Republican Party in the late 1970's, he tried to make the party more appealing to unions, which in the past sided with Democrats.



U.S. Dept. of Energy

ENERGY

Year Founded: 1977
Employees: 16,500
Budget: $11 bil., '85; $9.3 bil. asked for '86
What It Does: Shapes major energy policy, runs conservation programs, researches alternative energy sources, runs the nuclear weapons program.
Head: John S. Herrington, 45, a lawyer from California, headed the White House personnel office before moving to Interior this year. He is expected to push Administration goals of expanding nuclear power and developing oil and coal resources on public land. Despite his reputation as a quick learner, conservationists have faulted his lack of expertise on energy issues. Some fear he will dismantle the department, something he claims he won't do.

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HEALTH & HUMAN SERVICES

Dept. of Health & Human Services

Year Founded: 1980; 1953, as Dept. of Health, Education, and Welfare
Employees: 132,700
Budget: $318.5 bil., '85; $330.3 bil. asked for '86
What It Does: Provides income support and medical care for the elderly, disabled, and poor. Administers Social Security, Medicare, and Medicaid, runs the Public Health Service, oversees the Food and Drug Administration, the National Institutes of Health, and other agencies.
Head: Margaret Heckler, 54, a lawyer and former U.S. Rep. from Massachusetts, has headed HHS since 1983. HHS spends about one third of the U.S. budget and is a key battlefield in the Administration's fight to cut social spending. For this reason, Secretary Heckler's decisions are often the focus of heated debate.

HOUSING & URBAN DEVELOPMENT

UPI

Year Founded: 1965
Employees: 12,200
Budget: $28.9 bil., '85; $15.4 bil. asked for '86
What It Does: Oversees programs related to housing needs, fair housing opportunities, and the improvement of urban and rural communites. Administers mortgage insurance, rent subsidies, and anti-discrimination programs.
Head: Samuel Pierce, 63, a labor lawyer from New York. In accord with the Administration's plan to cut government spending, Pierce has reduced rent aid for low-income families and nearly halted the construction of government-subsidized, low-rent apartments. He wants local governments to take over housing aid, a position that rankles mayors who feel housing is as much a national as a local problem.

TRANSPORTATION

U.S. Dept. of Transportation

Year Founded: 1966
Employees: 61,100
Budget: $26.2 bil., '85; $25.1 asked for '86
What It Does: Deals with most areas of transportation, including airline regulation. Oversees Coast Guard, Federal Aviation Administration, Federal Highway, Railroad, and Maritime Administrations.
Head: Elizabeth Hanford Dole, 49, a lawyer from N. Carolina, held many federal posts before taking over Transportation in 1983. She believes transportation is over-regulated and backs the sale of the government-owned Conrail train system. She ruled that carmakers must put protective airbags in all cars by 1989 unless two thirds of the states mandate seat-belt use. As Coast Guard head, she is first woman to command an armed forces branch.

EDUCATION

Year Founded: 1980; since 1953, was Health, Education, and Welfare's concern.
Employees: 4,800
Budget: $18.3 bil., '85; $16.9 bil. asked for '86
What It Does: Shapes education policy, researches education issues, administers federal aid to education.
Head: William J. Bennett, 42, ran the National Endowment for the Humanities before moving to Education in 1985. He hopes to reduce U.S. aid to college students and favors tax aid for families with children in private schools and merit pay for top teachers. A New Yorker, he has a law degree and a doctorate in philosophy. Concern with the quality of U.S. schooling prevented President Reagan from fulfilling a 1980 campaign promise to abolish the Department of Education.

—Carl Sommers

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FROM SPOILS TO MERIT: 195 YEARS OF THE U.S. CIVIL SERVICE

One day in 1977, U.S. President Jimmy Carter noticed an unsavory smell in the White House. He quickly discovered its source: a mouse had crawled into an Oval Office wall and died there. Because Carter was about to receive a foreign diplomat, an aide asked the General Services Administration (GSA) to remove the mouse immediately.

But officials of the GSA—the agency that manages federal property—insisted that they had already exterminated all the mice *inside* the Executive Mansion. Therefore, the officials reasoned, the dead mouse must have come from *outside*—from the White House grounds, which were administered by the Department of the Interior. An aide contacted Interior officials, but they replied that they were responsible only for federal lands. Interior had no jurisdiction over a dead mouse indoors.

POWERFUL COMPLAINT

Fuming, President Carter summoned GSA and Interior bureaucrats to his smelly office. "I can't even get a damn mouse out of my office," complained the Chief Executive of the world's most powerful nation.

After a while, the officials agreed on a strategy for removing the offending rodent. They created a special interagency task force and put it under White House supervision.

Most Presidents have told similarly bizarre stories about coping with the U.S. civil service—a group they have battled to control throughout our nation's history. For the most part, the bureaucracy has won the battles. A President can issue as many orders as he likes, but his directives must follow guidelines laid down by bureaucrats. And the bureaucrats may or may not choose to carry out those directives.

A glance back at the history of the federal bureaucracy will show you its eery power to go its own way. It does so, it must be added, while its members keep working for what they feel to be the nation's best interests.

In the early days of the republic, the civil service was small and relatively manageable. As the first Secretary of State, Thomas Jefferson in 1790 headed a "bureaucracy" of exactly seven employees: four clerks, one translator, and two overseas diplomats.

Early Presidents were able to control bureaucrats through the "spoils system." They awarded government jobs to their political supporters, who in turn were loyal and obedient, although not always competent.

Modern Presidents must struggle with two big bureaucracies: the civil service and the White House staff. Both still have a way of spinning out of control.

Andrew Jackson, our seventh President, is often blamed for creating the spoils system in 1829. Earlier, however, George Washington and John Adams had handed out many offices to their friends in the Federalist Party.

When Republican Thomas Jefferson entered the White House in 1801, he confronted a civil service staffed by hostile Federalists. Jefferson simply did what Jackson would do 28 years later. He fired many of his enemies and replaced them with bureaucrats who shared his political views.

EXPANDING ECONOMY

Jefferson was the first of many Presidents who tried to halt the growth of the bureaucracy. But he was no more successful than those who came after him. An expanding economy and Jefferson's own Louisiana Purchase, which doubled the land area of the U.S., created hundreds of new jobs for federal officials. By 1824, Jefferson was warning: "We have more machinery of government than is necessary, too many parasites living on the labor of the industrious."

John Quincy Adams, elected President that year, tried to govern without the spoils system. He fired only 12 employees in four years and kept in office several political opponents.

Adams's integrity was noble but politically suicidal. The President's opponents used their official powers to undermine him. Because he would not dole out government jobs to his backers, he could not build a political party. The result: He was defeated by

President Washington (left) and his Cabinet in 1790. Cabinet Members, left to right: Henry Knox, Secretary of War; Alexander Hamilton, Secretary of the Treasury; Thomas Jefferson, Secretary of State; and Edmund Randolph, Attorney General.

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Andrew Jackson in 1828.

Jackson himself replaced no more than 20 percent of all federal employees with his own supporters. Even these friendly officials did not always carry out Jackson's wishes, however. So, Jackson undertook the first major reorganization of the bureaucracy.

MAKING JOBS ROUTINE

Before Jackson, officeholders were relatively free to act on their own initiative. Jackson's reforms put limits on those freedoms. Each government post was assigned a standard routine—the essence of a modern bureaucracy. Such a routine can frustrate creativity and innovation, but it makes each job so simple that it can be carried out by any reasonably able person. And it ensures that government goals won't change radically every time a new official is appointed.

The Bettmann Archive, Inc.

The 1881 assassination of President James A. Garfield by an insane office seeker helped convince the public it was time to end the spoils system.

Abraham Lincoln was a far more ruthless practitioner of the spoils system than Andrew Jackson. When he entered the White House in 1861, he replaced nearly 90 percent of all Presidential officers, and he appointed many Union generals solely for political reasons. Reportedly, Lincoln once pressured an officeholder to pay a kickback to the Republican Party—a common political practice at that time.

If this seems shocking, remember that Lincoln was fighting a desperate civil war. By doling out patronage to an array of politicians, he guaranteed their loyalty to the Union and held the nation together.

LINCOLN'S LAMENT

But even Lincoln was demoralized by endless demands for political plums. He said he felt like "a man so busy letting rooms in one end of his house that he cannot stop to put out the fire that is burning the other."

The Pendleton Act of 1883 finally curbed the spoils system. The law "classified" some federal offices, requiring them to be filled by competitive examinations. Also, the law protected holders of classified offices from being removed for failing to support the party in power.

The Pendleton Act protected only future appointments, however, and at first it applied to no more than 10 percent of the civil service. But the merit system was gradually extended until, today, it covers at least 85 percent of all federal bureaucrats. Ronald Reagan has only about 2,000 jobs available to fill with supporters—fewer than Andrew Jackson had a century and a half ago.

Protected by the merit system, the civil service became more honest but also more difficult to reorganize. In 1905, President Theodore Roosevelt appointed the Keep Committee to streamline the machinery of government. But the U.S. Congress and the Cabinet refused to follow the committee's recommendations.

Their resistance wasn't unusual. Bureaucracies are hard to reform. Reform usually strips some bureaucrats of certain responsibilities, and they will fight doggedly to hang on to the powers that those responsibilities give them. William Gibbs McAdoo, Secretary of the Treasury under Woodrow Wilson, is said to have "kicked like a steer" when his department was asked to surrender control of health services and the construction of post offices.

By 1930, the civil service had grown to 600,000 employees. Franklin D. Roosevelt, then the Democratic governor of New York, was demanding a "halt [to] this steady process of building commissions and regulatory bodies." But when Roosevelt became President three years later, he embarked on the greatest expansion of the federal bureaucracy in the nation's history.

INEVITABLE GROWTH

Under the circumstances, growth was almost inevitable. To combat the Great Depression, Roosevelt created an "alphabet soup" of new agencies: the National Recovery Administration (NRA), the Agricultural Adjustment Administration (AAA), the Works Progress Administration (WPA), and many others. Armies of experts and office workers were hired to staff these departments.

Then, in 1941, the U.S. entered World War II. Defense agencies took on many more employees, including thousands of unpaid volunteers called "dollar-a-year men." The civil service ballooned to more than 1.4 million workers in 1941 and to more than 3.8 million in 1945.

Roosevelt found this mammoth bureaucracy very difficult to control. At one point, the Navy Department decided to begin a $2 billion shipbuilding program. The department didn't bother to inform Roosevelt, the Commander-in-Chief of the armed forces. He found out about the plan one morning while reading a newspaper.

TRUMAN'S ANGER

Roosevelt's successor, Harry S. Truman, had similar problems. "I thought I was the President," Truman once snapped, "but when it comes to these bureaucracies, I can't make 'em do a damn thing."

Sitting in the Oval Office, Truman chuckled when he contemplated the fate of his successor, former General Dwight D. Eisenhower. "He'll sit here," Truman said, "and he'll say, 'Do this! Do that!' *And nothing will happen*. Poor Ike—it won't be a bit like the Army. He'll find it very frustrating."

Eisenhower was indeed frustrated by the federal bureaucracy, as was his fellow Republican, Richard Nixon. The Ramspeck Act of 1940 allowed

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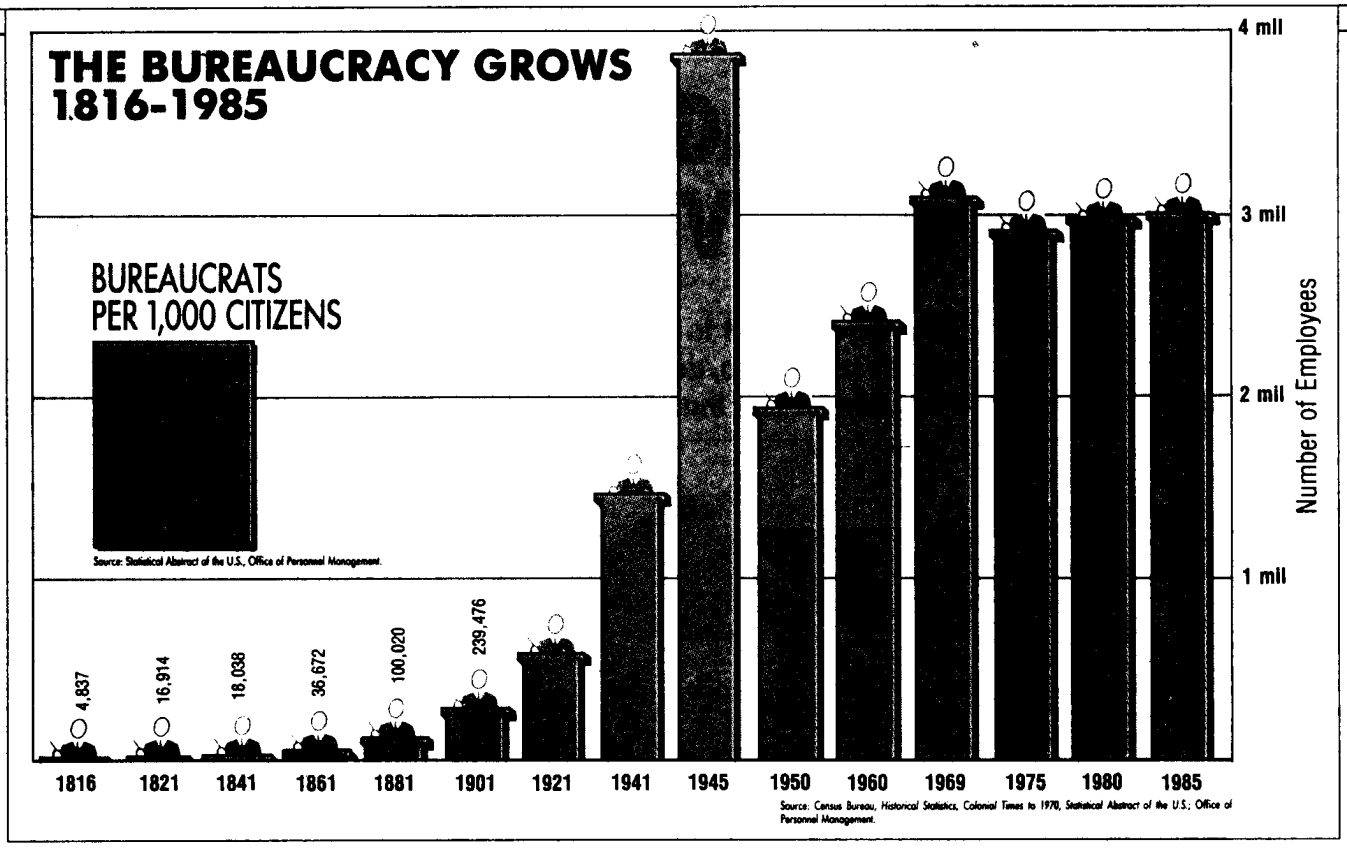

From the Madison Administration to the Reagan Administration, the bureaucracy has grown along with the government's role. Yet efficiency is up, too. The number of bureaucrats per 1,000 citizens is actually lower now than it was 35 years ago.

the President to extend the coverage of civil service protection, and Harry Truman used this authority to ensure that future Republican Presidents would not be able to dismiss Democratic appointees.

The Democratic administrations of Roosevelt, Truman, John F. Kennedy, and Lyndon Johnson greatly expanded social welfare programs and the bureaucracy that handled these programs. By the time Richard Nixon reached the White House in 1969, these programs and bureaucrats were firmly entrenched and largely beyond Presidential control. Nixon tried and failed to abolish the Office of Economic Opportunity, the agency that ran Johnson's "War on Poverty." While Nixon denounced "forced busing" of school children, his own Justice Department filed lawsuits to enact busing plans for school desegregation.

STAFFING THE WHITE HOUSE

The President can bypass these bureaucracies only by relying on his own personal bureaucracy—the White House staff. Abraham Lincoln had one secretary, whom he paid out of his own pocket. Herbert Hoover, President from 1929-33, had three secretaries.

In 1939, Congress created the Executive Office of the President to help Franklin Roosevelt manage the huge New Deal bureaucracy. The White House staff quickly mushroomed to 1,664 employees under President Kennedy in the early 1960s, to 5,395 under President Nixon 10 years later.

Nixon used his "counter-bureaucracy" to carry out bold policy initiatives that the civil service might not approve. He did not trust the State Department bureaucracy with the delicate job of pursuing Soviet-American détente—a relaxation of tensions—while he made overtures to the People's Republic of China. So he delegated that task to Henry Kissinger, his adviser on national security affairs.

THE "PLUMBERS"

As bureaucracies often do, Nixon's staff expanded out of control. It created a secret "special investigations unit," nicknamed the "plumbers," to plug information leaks. In 1972, in Washington, DC, members of this group burglarized the Democratic Party's national headquarters at the Watergate office complex. An investigation into the burglary uncovered other illegal actions by the White House staff and by Nixon himself. The damning revelations forced Nixon out of office.

The 1962 Cuban Missile Crisis, when the U.S. and the Soviet Union stood at the brink of nuclear war, graphically illustrates the dangers of an unmanageable bureaucracy. On October 27, the Soviets offered to remove their missiles from Cuba—if President Kennedy withdrew U.S. Jupiter missiles from Turkey.

Kennedy was furious. *Twice* in the past six months he had ordered the removal of the out-of-date Jupiter missiles, but the bureaucrats in charge had done nothing. Now Kennedy could not dismantle those missiles without appearing to be knuckling under to Soviet pressure. Fortunately, the situation was defused on October 28, when the Russians agreed to bring home their Cuban missiles.

The very next morning, an interdepartmental task force was set up to remove the Jupiter missiles. *This* time, the task force chairman promised, there would be no bureaucratic delays. "Those missiles are going to be out of there by April 1 if we have to shoot them out," the chairman promised. The missiles were removed from Turkey—but not until April 15.

—Jonathan Rose

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PRESIDENT REAGAN'S CAMPAIGN TO SHRINK GOVERNMENT'S ROLE

The President promised to "limit government to its proper role." But not everyone agrees on what's proper. So, despite impressive gains, the President has had to settle for less than total victory.

Every dollar that the Government spends ought to be spent as carefully as if the resources of the country were limited," the President said. "Indeed, there has been little serious effort in . . . making the government of the United States as efficient as a successful business organization would be."

The President was Woodrow Wilson. The bureaucracy he was speaking of, in 1912, spent $900 million a year.

Today, 73 years later, annual U.S. spending tops $900 *billion*. And government efficiency is never far from our President's mind. Indeed, President Reagan has spent most of his nearly five years in office fighting a war against bigness in government. He views the enemy as a sprawling bureaucracy that reaches into every nook of American life, tying up businesses in giant knots of red tape. He has promised to "limit government to its proper role and make it the servant, not the master, of the people."

Is President Reagan winning his war against big government? This article will help you answer that question. It will show you why experts say that so far he has achieved more economies than most past Presidents. But it will also show you why he will have to be satisfied with less than total victory. What one person considers wasteful, the President has learned, another may consider vital.

SIZING UP GOVERNMENT

The government that President Reagan set out to tame is the world's biggest. It includes 120 departments and agencies, plus more than 900 advisory commissions. Those agencies employ more than 2.8 million civilian workers, and another 2.2 million in the military. They work in 400,000 buildings throughout the U.S.—more than the entire building stock of a city the size of Dallas, Texas. And they drive 460,000 vehicles—one for every two miles of the nation's highways.

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Closing the 12,469 post offices that serve fewer than 100 people could save $272 million, one study suggests.

But workers and buildings and cars are just a small part of the U.S. government. The entire civilian payroll this year amounted to $77.8 billion. Big as that number is, it's only about 8 percent of the federal budget.

The U.S. government employs huge numbers of people, but it's big, experts say, mostly because it spends big. And what it spends its money on shows what its leaders think important. More than 40 percent of all U.S. spending, for instance, goes for direct aid—Social Security pensions or other benefits. These benefits aid nearly one in three Americans.

Thus, the President's attack on bigness is really an attack on spending. He and his aides devised a two-pronged approach to the problem. They decided, first, to cut government to the minimum size needed to accomplish its vital functions. Second, they set out to steamline government operations for top efficiency.

The battleground they chose was the U.S. budget. There, the nation's priorities are spelled out in dollars, and political clout can kill or create programs affecting millions of people. "Public policy is really made in the budgetary process now," says Prof. G. Calvin MacKenzie of the National Academy of Public Administration. "With Congress spending 10 months a year on the budget, it's difficult to get any other kinds of major legislation through."

CUTTING ALLOWANCES

The President's biggest victories came early in 1981. Comparing government spending to the extravagance of a child, he called for "simply reducing [its] allowance." He prodded Congress to cut taxes by 25 percent, slash domestic spending, and begin a military buildup. He argued that government spending was out of control. Tax cuts, he said, would stimulate the economy by freeing up more money for consumer spending. He buttressed his arguments with mountains of facts and figures from the Office of Management and Budget (OMB). Congress passed his program, adding a few tax cuts of its own.

But the results have fueled bitter political debates ever since. On the plus side, the growth of entitlement programs slowed. These programs guarantee benefits, such as Social Security pensions, to anyone who qualifies for them. And, as a share of the nation's output, other domestic spending—from transit to research—has dropped to near 1940 levels.

The minuses of the President's program have troubled many. Some Americans, particularly the poor, were hit hard by cuts in social programs. And the effect on the government's budget, many economists say, may prove disastrous.

The President meant to cut the government's allowance by cutting taxes.

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The problem was that the government, like a child with a credit card, kept on spending anyway. Since 1983, the government has been spending some $200 billion more each year than it earns in taxes. "You can't have a massive tax cut without producing a massive deficit," says Charles Schultz, a former OMB director who now studies economic matters at the Brookings Institution. "But the President seems to regard a tax increase as the next worse thing to nuclear war."

Today, the President and Congress are caught in a political stalemate over the budget deficit. The House of Representatives, controlled by the Democrats, won't make big cuts in domestic programs unless the President agrees to cuts in military spending. President Reagan refuses to give in, and he opposes any tax increase.

DENTING THE DEFICIT

This past summer, Congress came up with a plan that would make a small dent in the deficit. Still, most observers expect little to change when the budget for fiscal year 1986, which begins October 1, is finally approved.

The upshot is that the government's budget is growing, not shrinking. One measure of government size is the share it buys of the Gross National Product (GNP), the nation's yearly output of goods and services. According to the OMB, U.S. spending in 1985 has risen to 24.5 percent of GNP, up from 23.5 percent in 1981. That may not sound like a big gain, but it amounts to $40 billion.

While President Reagan hasn't been able to cut the size of government, experts do give him credit for two major changes. One is a shift in budget priorities—how government spends its money—from social programs to military programs. "We're spending a lot less on people, and a lot more on arms," asserts David Kahan of the Center for Budget and Policy Priorities, a non-profit research group. The 1985 Defense budget is 27 percent of U.S. spending, up from 23 percent in 1981. At the same time, domestic spending has fallen from 68 percent in 1981 to 60 percent in 1985. That amounts to a swing of $35 billion from domestic spending to defense.

REVERSING ROOSEVELT

A second change is renewed public debate about the proper role of government. Steven Kelman, a professor of public management at Harvard University, gives the President a "50-50 chance" of having as great an impact as Franklin Roosevelt—"of ushering in a long period of government being scaled back." It was Roosevelt who set off the government's half century of mushrooming growth.

The Administration's attack on inefficiency is the second part of its campaign against bigness. Stories of government waste are legendary. But here, too, President Reagan's victories in streamlining management and cutting away unneeded regulations are matched by nearly as many defeats. Just about everyone will agree that it's wasteful for the Defense Department to pay $7,400 for an Air Force coffee maker, or for a government office to deposit incoming checks only twice a year. Just how much waste there is, however, tends to be as much a matter of opinion as of fact.

A Presidential commission of top business executives gave one opinion in 1984. It said that savings from tighter management could wipe out U.S. budget deficits without cutting social benefits or raising taxes. The commission, headed by industrialist J. Peter Grace, reported that the government could save $424.4 billion over three years. One big catch: To realize the gain, the government had to adopt nearly 2,500 recommendations designed to put federal operations on a more businesslike footing.

"The government is massively inefficient," Grace recently told UPDATE. "It has only about 30 percent of the information it needs to do its business properly." Government workers are overpaid and underworked, he says, and 675,000 of them are doing jobs that could be done by private industry.

The main problem, Grace says, is that "the President—any President—has no power." Grace compared his power as head of a giant corporation with the President's. "My most important power is to organize the company any way I want to," Grace says. "I also have the power to set pay scales and rewards for my employees.

Amtrak

The Reagan Administration says ending U.S. subsidies for Amtrak would save $600 million a year. The move, opponents say, would cost just as much in severance pay for fired workers and leave the U.S. without a passenger railroad system.

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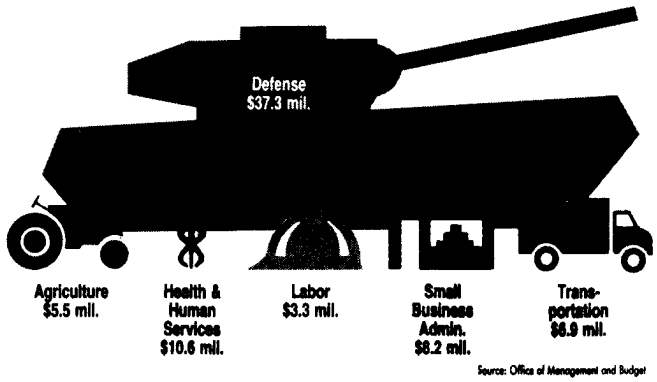

Cracking Down on Fraud

WHAT RISK DO CHISELERS take when they cheat the government? Sadly, for years the risk was fairly small.

Today, however, the risk is higher. In 1981, President Reagan created a new council composed of Inspectors General from every major agency. They make up a brigade of 6,575 people who investigate fraud and inefficiency. The council set up hot lines to encourage both bureaucrats and the public to blow the whistle on waste. In four years, more than 77,000 allegations of wrongdoing have led to investigations that recovered $354 million.

One case, for instance, featured three business executives. To win $33 million in contracts from the Small Business Administration and the Army, they lied and bribed officials. Then they failed to report their ill-gotten income on their taxes. The result: a fistful of convictions and the recovery of at least $12 million. —*D.G.*

And my third power is to set performance standards. The President has none of these."

Not everyone agrees with Grace's report. "My research suggests that horror stories [about government waste] are almost always wildly exaggerated," says Steven Kelman of Harvard. "The idea that you can get rid of the budget deficit by eliminating waste is a total illusion."

PAYING FOR POLICY

Polls show that most Americans believe that about half of every tax dollar is wasted. Kelman disagrees. He estimates the waste as only five cents of every tax dollar. Often what the Grace Commission condemns as waste, he claims, are public policies it disagrees with. The commission faulted military retirement benefits worth some $28.1 billion over three years, for example. These benefits are nearly twice as generous as benefits from private pension plans. But, say the commission's critics, it's been public policy to reward men and women in the military for the risks they take in serving the nation. "Waste is when you spend too much money to accomplish a certain goal," says Kelman. "Policy is whether you should be pursuing the goal in the first place."

Nonetheless, the Grace Commission report formed the basis of many of President Reagan's less controversial efforts to improve government management. Dubbed "Reform '88," the program has tackled a host of problems. At least $54 billion in waste and fraud, officials say, has been eliminated and put to better use.

The Administration has made efficiency gains in other areas, as well. Among them:

- The government now pays its bills on time, thanks to a new system that manages the government's $1 trillion yearly cash flow.
- People who owe the government money are being tracked down and paying back billions of dollars—including millions in student loans.
- A five-year plan has been adopted to replace the oldest of the government's 17,000 computers.

Still, cautions Joe Wright, deputy director of OMB and head of Reform '88, running government with businesslike efficiency won't happen overnight. "Some of the programs, such as new accounting systems, will save money over the next 50 years," he says. "But, to start with, they're actually investments." Savings, in other words, often cost money.

In his efforts to cut red tape, President Reagan has slashed the budgets of agencies that set and enforce regulations. He also gave OMB broad power over rules proposed by government departments and agencies. "Consumer safety has not suffered," says Dr. Marvin Kosters, a regulation specialist at the American Enterprise Institute. "Better central management will do the average citizen good, even though a special interest group may have less influence."

But, here again, critics say the reforms are a mixed blessing. In particular, some charge that OMB is abusing its budget-making power when it kills programs or regulations that Congress wants to continue. "My fear is that, in the name of stopping waste, fraud, and abuse, they are reaching into agencies and influencing policy," says Gary Bass, director of OMB Watch, a non-profit research group. "Congress never authorized that."

"This office doesn't do anything that it's not authorized to do by the President," answers Wright. "We have an Executive Order that there should be some central review to make sure that new regulations are truly in the interest of this country."

TIGHTENING CONTROL

President Reagan has tightened his control over the bureaucracy by appointing a layer of up to 600 top bureaucrats and policymakers who share his philosophy. In the past, most Presidents used their power of appointment to pay off political debts and reward allies. "This administration has taken that power more seriously and used it for leverage on public policy," says MacKenzie of the National Academy of Public Administration. "They recognized it's hard to pass new laws that change things. So they decided to get people who could turn the government around."

It's a risky approach. Some Reagan "appointees have failed miserably because they lacked administrative or political skills," MacKenzie says.

Another risk may have backers of government efficiency even more worried. What happens after the President leaves office? "There's almost nothing to stop another administration from changing things right back," MacKenzie says. In that case, the President's war on big government could turn out to be little more than a footnote in bureaucratic history.

—David Goddy

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AN INSIDER ASSESSES THE WAR ON WASTE

A top official of the Office of Management and Budget describes some impressive gains his agency has made against inefficiency. Yet in his view, the U.S. is still spending—and wasting—too much.

Office of Management and Budget

A former bank executive, Joe Wright was Assistant Secretary of Agriculture under U.S. Presidents Nixon and Ford.

Joseph R. Wright, Jr., has spent his career—in and out of government—as a high-powered manager. As Deputy Director of the Office of Management and Budget, Wright, 46, has been President Reagan's point man in the effort to improve federal management and efficiency. In August, he took over as OMB's acting director until the President's nominee, James Miller, is confirmed by the Senate. Associate Editor David Goddy talked with Wright one recent morning at his office in the Old Executive Office Building, next to the White House.

UPDATE: *What is the role of the Office of Management and Budget?*
Wright: OMB is the primary staff arm of the President for developing and focusing the budget and the management of the entire federal government. It's a complex job. OMB oversees $190 billion worth of [government purchasing]. It reviews new legislation and all proposed laws and regulations.
UPDATE: *What are the big obstacles to cutting the government's size?*
Wright: The number one biggest obstacle is the philosophic difference between the Republican conservatives and the liberal Democrats on how to reduce the U.S. budget deficit. The President feels strongly that the way is to reduce the cost of government. The House of Representatives appears to want to raise taxes. We feel that will endanger future economic growth.

The second big obstacle is all the special interest groups that say, "Don't reduce our programs." The third obstacle is the bureaucracy, which has been doing things its own way for years.
UPDATE: *Is the U.S government too big to manage?*
The answer is a big "No!" The problem is that before now there has not been a priority on good management. It's too big a place, it's too unwieldy, to make fast changes.
UPDATE: *How successful have efforts to cut waste and mismanagement been so far?*
Wright: They've been tremendously successful. The Inspectors General [of U.S. departments], who comprise the President's Council on Integrity and Efficency, have reported over $54 billion in total savings since President Reagan took office. They have said, "If you're ripping off the federal government, you had better watch out, because we'll probably catch you. That does not mean there is not fraud—there always will be—but the chances of successful fraud are much lower.
UPDATE: *How is the average taxpayer affected by these reforms?*
Wright: The average taxpayer does not see the improvements. There will be a slow realization over the years that the federal government is finally becoming better managed.
UPDATE: *What are the worst-run and best-run U.S. agencies?*
Wright: I wouldn't want to say what is the worst-run agency. You've got a large list of candidates for that. For the best-run, NASA manages its projects well. Treasury is well-run. [So is] the Department of Commerce. The Forest Service is a well-run organization. Elsewhere you have some bright spots, but there's no consistancy.
UPDATE: *The President would like private businesses to take over many government services. Which services?*
Wright: The government has many basic missions—law and order, defense—that we're not going to contract out. Certain social responsibilities wouldn't make sense for the private sector to manage. But a large part of the federal government is administrative support—services, data processing, information, collections. In many cases, the private sector can do it better and cheaper.
UPDATE: *How does OMB decide what programs aren't needed, or which should have their budgets cut?*
Wright: There is an overlying philosophical approach. First, we have to stop out-of-control spending. Second, many proposed [cuts] this year—the Small Business Administration, Amtrak, subsidies to business or local areas—are programs we simply cannot afford anymore. We're also driven by a $200 billion budget deficit—without it you wouldn't have the same urgency to try and eliminate programs.
UPDATE: *Is it possible to balance the U.S. budget simply by cutting waste? So far, the savings aren't close to matching our big deficits.*
Wright: Because of the way the budget process works—Congress approves it item by item—the money saved in one place is spent elsewhere. So you don't reduce the deficit by cutting waste. Funds are put to better use. It's better government.
UPDATE: *You've been a top executive in private business and in government. Would you recommend government service as a career?*
Wright: What we desperately need in the federal government are people who know how to manage well and care about efficiency. The job of delivering federal services is getting more complex every year. There are probably more opportunities in government than almost anywhere else because of its diversity and size.

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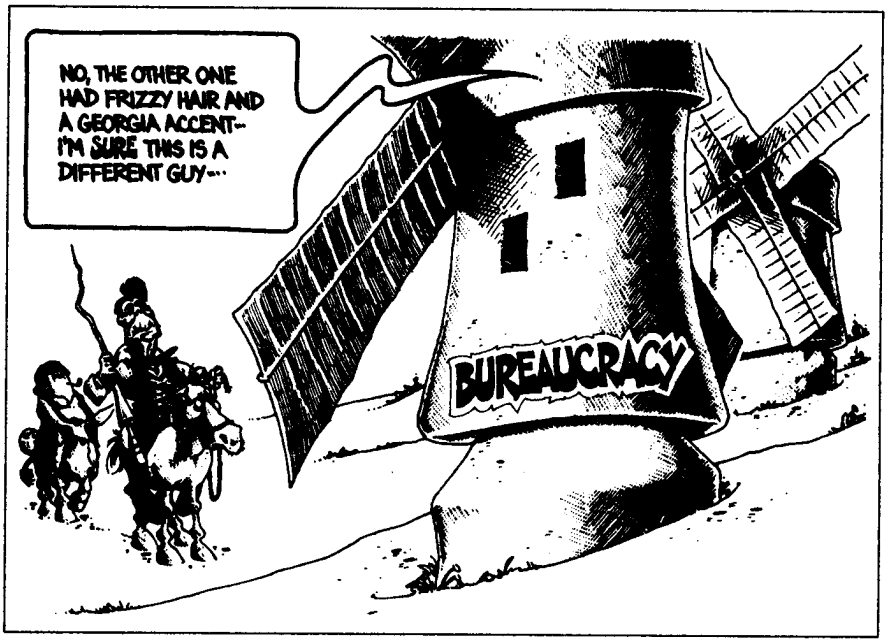
Agency: A government unit charged with responsibilities in a certain area.
Bureaucracy: The group of non-elected government employees who administer government programs and carry out government policies.
Cabinet: The council that advises the U.S. President. Its 13 members each head an executive department.
Capitol Hill: The geographic location, in Washington, DC, of the two U.S. lawmaking bodies, the Senate and the House of Representatives. The term is often used to refer to the Legislative Branch, as in, "Capitol Hill sent a clear message to the President today. . . ."
Civil Servants: All non-elected employees of the government other than members of the armed services.
Entitlement Program: Any government plan which distributes money or goods to people or organizations that are entitled to them by law.
Executive Branch: The part of the U.S. government headed by a President and including the bureaucracy.
Executive Order: A proclamation by the President which requires agencies or individuals to take certain actions even though Congress hasn't passed a law requiring the action.
Federal: Describes a system of government in which power is shared by a central government and many territorial units. The U.S. government unites 50 U.S. states in a federal system.
Hierarchy: A method of organization in which superiors give orders and subordinates carry them out. All bureacracies are organized hierarchically.
Lobbyist: Someone who tries to influence government actions on behalf of a special interest group, which often pays for the lobbyist's services.
Merit System: A civil service system in which people are hired and promoted on the basis of their demonstrated talents, proven experience, or performance on competitive tests.
Office of Management and Budget (OMB): The agency of the Executive Branch which plans government spending and oversees government programs. Every year, bureaus of the federal government submit their requests for funds for the upcoming year. The OMB coordinates the requests and puts together a budget proposal, which the President submits to Congress for debate and approval.
Ombudsman: Someone to whom a private citizen can appeal when dissatisfied with the action of a bureaucrat or a bureaucratic department. The ombudsman may be able to secure compensation for an aggrieved citizen. In the U.S., many states and cities have these "citizen advocates." Federal agencies are often urged to appoint them but, as yet, have not.
Patronage: The power to appoint people to government jobs, usually in exchange for political support.
Perk: Short for *perquisite,* it refers to a special benefit derived from a job, such as vacation time, paid sick leave, health insurance, and a pension. One of the attractions of civil service jobs is the good perks they provide.
Policy: A course or method of action designed by government leaders to meet a certain problem. In theory, U.S. policy is set by Congress and carried out (executed) by the Executive Branch. In practice, however, the President is just as likely to choose a policy and urge Congress to adopt it.
Procurement: The bureaucratic process of ordering and obtaining supplies of all sorts, from weapons and trucks to towels and rubber bands.
Red Tape: A slang term used to describe massive delays and complicated procedures that may accompany bureaucratic action on an issue. Term comes from the red tape once used to tie legal documents in England.
Reprivatization: The process of handing back to private businesses tasks that had been performed by government. Many people believe that businesses are more efficient because they must show good results in order to keep a government contract.
Special Interest Group: An organized group whose members share similar views and often try to convince government officials to take actions that support those views.
Spoils System: A civil service system that allows the winner of a public office to replace officials with his supporters. Most U.S. Presidents used the spoils system extensively until the civil service reforms of the 1880s.
Subgovernments: Groups of lawmakers, lobbyists, and bureaucrats who work together to influence policy and funding decisions in areas of special interest to them. For many years, policy on agriculture, the environment, and public works has been shaped by such subgovernments.
Whistle-blower: A bureaucrat who makes public his knowledge of government wrongdoing.
White House: The residence of the U.S. President in Washington, DC. The term is often used to describe the entire Executive Branch. Reporters often start their stories with the words, "The White House said today. . . ."

—Clare McHugh



Ben Sargent © 1981 The Austin American Statesman/United Feature Syndicate

Presidential efforts to change the federal bureaucracy are often ineffectual, as this cartoon suggests. The cartoonist portrays President Reagan (and the "other one," Jimmy Carter) as the fictional and comic Don Quixote, who battled windmills.

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BEHIND THE BUREAUCRACY: HOW THE FDA OKAYED NUTRASWEET

What do civil servants do? To find out, UPDATE followed the regulatory path of the food additive NutraSweet. On the way, we met dedicated professionals working hard to protect your health.

August in Washington, DC, is usually a quiet month. The U.S Congress takes a recess and other workers flee the city's humid weather. Yet for the employees of the Center for Food Safety and Applied Nutrition, last month was one of the busiest ever. A key part of the U.S. Food and Drug Administration (FDA), the Center for Food Safety (or "Food Center," as employees call it) polices the purity of the food Americans eat. And that work sped up in August because of several crises over tainted foods.

Protecting the nation's food supply is not a job that Food Center employees—800 in Washington and 1,000 elsewhere—take lightly. Research that Food Center scientists do and rules they write have a wide impact. Food Center standards helps keep cheese safe from contamination, for example. They keep fruits and vegetables free of deadly levels of pesticides. And they keep harmful chemical coloring and additives out of packaged foods.

It's not easy for food packagers to get the Food Center to okay a new chemical additive. A look at the way the Food Center handled one additive, the sweetner aspartame, will show you why. And it will help you understand the key roles that civil servants play in American society.

A SWEET DISCOVERY

The story of aspartame, sold today under the brand name NutraSweet, began 20 years ago in a laboratory at G.D. Searle and Company. Searle is a pharmaceutical firm based in Illinois.

One afternoon in 1965, James M. Schlatter, a chemist, stumbled on an exciting discovery. While testing a new drug for ulcers, Schlatter absentmindedly licked his fingers. He was struck by a powerful taste of sweetness. He reproduced the taste—it was 200 times sweeter than sugar—by combining two amino acids, neither of which is sweet by itself. Amino acids are the building blocks of protein.

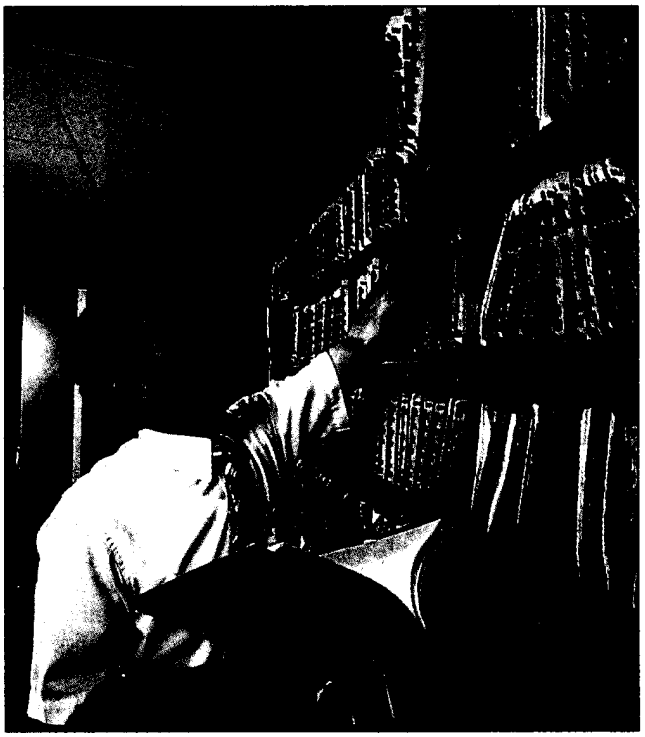
After years of testing, Searle asked the FDA in 1973 to approve its new sweetner. A year later, the FDA gave Searle a go-ahead. But a group of consumers and scientists challenged the decision. They charged that the FDA should have checked more closely to see if aspartame might cause brain tumors or brain damage.

The FDA listened and responded. In December, 1975, the agency withdrew its approval until an outside panel of scientists weighed the charges.

For the next few years, scientists scrutinized tests that Searle's scientists had conducted. In 1980, the panel announced its decision. It agreed in part with the FDA, finding that aspartame did not cause brain damage. The panel recommended further tests to see if aspartame could be linked to brain tumors.

Arthur Hayes, the FDA's commissioner at the time, felt that enough studies had been done. In early 1981, he overruled the panel and approved NutraSweet for use in a dry form—in cereals, for example. Two years later, the FDA approved NutraSweet for use in liquids. Recently, the manufacturer

Dr. Sanford Miller, head of the FDA's Center for Food Safety, is in charge of keeping the nation's food supply safe.



As the go-between for Searle and the FDA, Dr. Tony Brunetti oversees more than 100 volumes of NutraSweet files.

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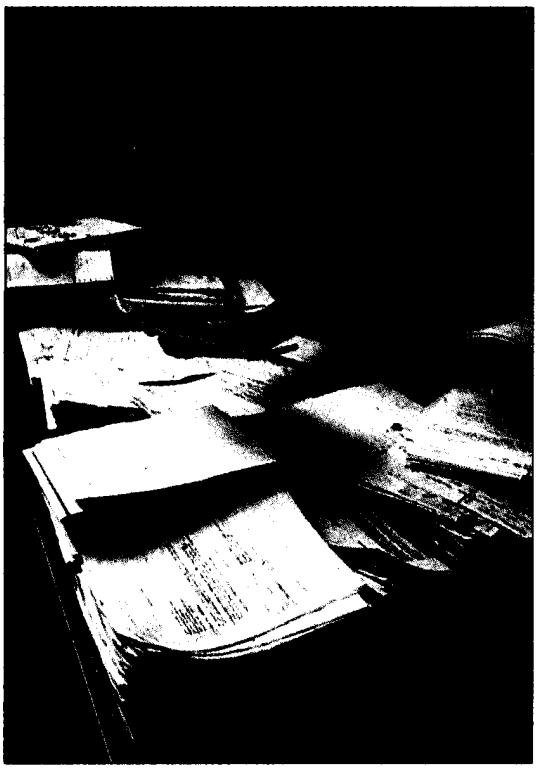
Dr. Walter Glinnsmann, an endocrinologist, counts cells with a cell sorter laser. FDA scientists use this sophisticated equipment to check chemical reactions in the body.



As a freedom of information officer, Patricia Gee's job includes protecting valuable trade secrets.

has asked the FDA to approve NutraSweet for products such as frozen orange juice, ice cream, and yogurt.

APPROVAL PROCESS

How does the FDA's approval process work? All requests for permission to sell a food additive go first to a safety officer. The safety officer for NutraSweet is Dr. Tony Brunetti. Brunetti, a chemist, guides Searle's request through the FDA.

"We're talking about something with a 15-year regulatory history," Brunetti told UPDATE. "Sometimes, I have to search for days to find some information I need." The FDA's file on aspartame fills more than 100 volumes.

Manufacturers often complain about red tape. "I get as just as frustrated," Brunetti says, "but I have to deal with the bureaucratic process, too. When you're dealing with human safety, you have to take extreme caution. So if it takes time, we take the time."

Brunetti also writes the regulations that apply to NutraSweet. He tries to simplify the scientific and legal jargon of the FDA's scientists and lawyers. "I aim for an eighth-grade reading level," he says.

But Brunetti never writes a word until FDA scientists have checked the manufacturer's test data. The data must answer two basic questions. First, does the additive work? For example, is NutraSweet really sweet? Second—and most important—is the product safe?

Product safety is the specific concern of Dr. Gary Flamm, who heads the Food Center's office of toxicological science. Searle submitted more than 112 different studies. Flamm's team of toxicologists—scientists who study the effects of chemicals on the human body—pored over every one of the studies.

Flamm is extremely careful about details. He has to be. "Some of these studies contain as many as 3 million bits of data," he says. "All of this has to be handled like precious eggs."

As it happens, some people can't tolerate one of aspartame's amino acids—phenylalanine. Such people have a condition called phenylketonuria (PKU). The toxicologists recommended that products with NutraSweet carry a warning for PKU sufferers. Still, the FDA concluded that, for most people, aspartame is safe.

FDA nutritionists like Walt Glinnsmann, a physician in the Office of Nutrition, also examine NutraSweet. Dr. Glinnsmann recently worked on a study of 517 people who reported side effects after using NutraSweet. Most of them reported stomachaches and headaches—common complaints under any circumstances, Glinnsmann notes. Nonetheless, Searle's scientists are following up the FDA's study.

TIME TO STOP

According to Glinnsmann, the FDA has done more testing on aspartame than on any other substance in the agency's 78-year history. "We are raising safety issues about aspartame that we wouldn't raise about a hamburger," he says. "At some point, we always have to stop doing studies and make a decision."

Scientists aren't the only ones interested in the FDA's tests. Competing companies often try to glean trade secrets from the FDA. They do this by filing for data under the Freedom of Information Act. This U.S. law prohibits the government from withholding unclassified information. Yet it doesn't permit the release of trade secrets, which is what companies like Searle often entrust to the FDA.

Last year the FDA fielded 41,000 requests for information—more than any other agency. Patty Gee, the Food Center's freedom of information officer, answers many of the requests. "Everybody in the world is interested in NutraSweet," says Gee, who researched more than 100 NutraSweet requests over the past 18 months.

Once the FDA's scientists determine that an additive is safe, the FDA's Office of Regulatory Guidance takes over. The head of that office, John Taylor, makes sure that the regulation complies with the FDA's laws.

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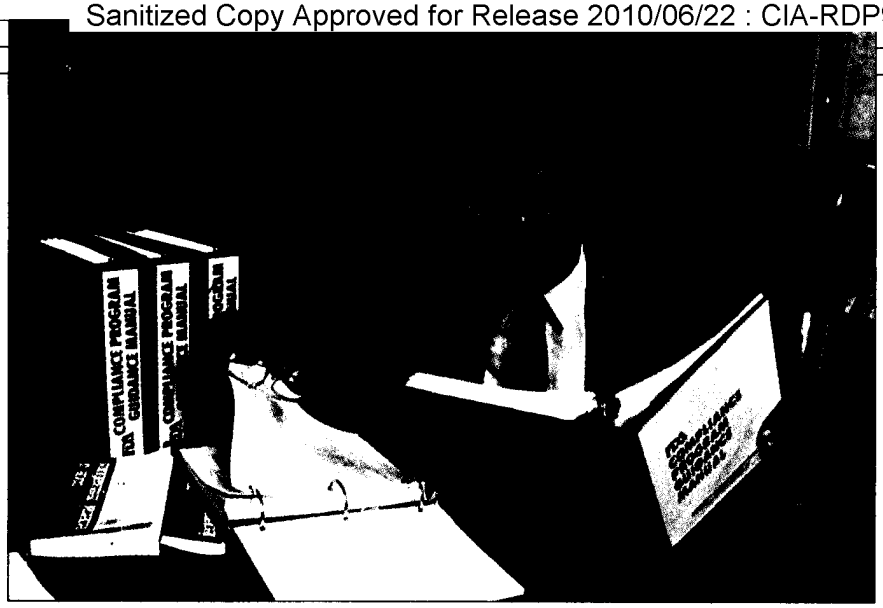

John Taylor, head of regulatory guidance, is in charge of enforcing the FDA's rules. For NutraSweet, this includes a health warning and clean packaging standards.

FDA counsel Marsha Gardner's work on NutraSweet has earned her one of her three FDA awards of merit.

Taylor, a chemist and former head of the FDA's Boston district, keeps a big stick in his office. It's a humorous reminder that he's also in charge of enforcing the FDA's regulations.

An incident that occurred last year demonstrated the FDA's enforcement power. About 200,000 cans of Diet Coca-Cola failed to carry the warning for PKU sufferers. The distributor had to pull the cans off store shelves.

Steve Kilker, an FDA inspector in Akron, Ohio, discovered the problem. "The FDA considers the mislabeling significant," Kilker told UPDATE, "because it could make people ill."

THE FINAL STAGES

The FDA has to make sure its own actions are proper, too. That's the job of Marsha Gardner, assistant chief counsel for food. "We have to make certain that the FDA is jumping through all of the hoops," she says. "Some staff people see enforcing proper procedures as nit-picky. But the courts think details are extremely important. If an issue like aspartame winds up in court, the case is decided on the details."

Gardner was a pharmacist before becoming a lawyer. She credits her pharmacy training with teaching her to appreciate the value of sound scientific procedures. "Any decision in the FDA stands or falls on the quality of the science," she says. Her work has won her three FDA merit awards—one for her efforts with aspartame.

Eventually, all decisions on food safety reach Dr. Sanford Miller. As head of the Food Center, Miller recommends decisions to the FDA's current commissioner, Frank Young.

Miller says that a good part of his job is protecting FDA scientists from political, economic, and public pressures. "We get plenty of pressure from plain old citizens," he says. "It takes us forever to take regulatory action, because our system is built on distrust of government. As an administrator, I hate the outside pressure. But, as a citizen, I know it keeps government in check."

Approving aspartame has proved costly and time-consuming for both Searle and the government. "Literally hundreds of Center scientists have been involved at one time or another with aspartame," Miller says. "It's probably cost several million dollars to deal with the continuing charges against aspartame—every one of which has been answered."

Clearly, Miller and his collegues are a far cry from the "unresponsive bureaucrats" who often populate cartoons. They're hard-working civil servants whose decisions affect millions of Americans. And millions of Americans can be grateful that they do.

—Maura Christopher

NutraSweet Is Tops with Consumers, Despite Lingering Doubts About Its Safety

IN JUST A FEW SHORT YEARS, use of NutraSweet has exploded—exciting the taste buds of 100 million Americans. Today, more than 75 products contain NutraSweet, including pudding, chewing gum, and diet soft drinks.

The product is a favorite among high school students, too. A 1984 survey by NutraSweet's maker, G.D. Searle and Company, made that fact plain. The study showed that 26 percent of all teenage girls and 12 percent of all teenage boys drank diet soda that contained NutraSweet.

Not surprisingly, NutraSweet's success has brightened Searle's financial picture. Sweetener sales of $585 million in 1984 pulled Searle out of a financial slump and now account for about 70 percent of the company's profits.

Still, questions about NutraSweet remain unanswered. Scientists such as Richard Wurtman of the Massachusetts Institute of Technology suggest that NutraSweet fools the brain into wanting more carbohydrates. "Pretty weird for a diet product," Wurtman says.

Currently, the U.S. Congress is investigating the FDA's 1981 approval of aspartame. The approval disregarded a recommendation by a Public Board of Inquiry for more studies on whether aspartame poses the risk of brain tumors.

The FDA is cooperating fully with the investigation. "Congress has the right to ask about our policies and decision making," says Henry Dausch, the FDA's assistant deputy commissioner for legislative affairs. "Their oversight can be in the public interest even if we get embarrassed in the process." —*M.C.*

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THE PUZZLING WAYS AMERICANS VIEW BUREAUCRATS

Did you ride to school in a bus or a car this morning? If so, you encountered just one of the thousands of ways that the federal bureaucracy affects your life. Federal bureaucrats — U.S. government workers—set the safety standards for buses and automobiles. They even set nutritional requirements for the food your school cafeteria sells.

Clearly, bureaucrats provide services that are key to our health as individuals and as a nation. It may be because they do such important work, in fact, that they are so often the target of citizens' complaints. Politicians campaigning for office have found them an easy target, too, labeling them "insensitive" and calling the bureaucracy that they are a part of "bloated" and "sluggish."

Such labels have made government workers touchy about being called "bureaucrats." They prefer to be called "civil servants."

Why do many Americans have a low opinion of the U.S. bureaucracy? Recently, UPDATE explored that question with a number of people in a position to know some answers. What we found may surprise you—and help you understand some of the strains that bureaucrats work under.

Scott Thode/International Stock Photo

Bureaucracy with a face: An official of the U.S. Customs Service examines the baggage of a couple returning from abroad. Most Americans have good feelings about bureaucrats they come in contact with, even in situations like this.

Americans often look at bureaucracies through the media's eyes—with suspicion. But when we actually meet bureaucrats, studies show, we like them and are grateful for the services they provide.

DEDICATION AND TALENT

Frank Carlucci, a former high government official, disputes the notion that bureaucrats are to blame for their tarnished image. "People tend to believe that the bureaucracy is slow moving, encumbered, not efficient, and unenergetic," Carlucci said. "But the bureaucracy is filled with dedicated and talented people."

Carlucci believes that unnecessary rules hamper the effectiveness of civil servants. "Laws and regulations add to the paper work, making it more difficult for federal employees to do their jobs," he said. During 13 years in government, Carlucci helped run the U.S. Central Intelligence Agency and the Department of Defense.

The public hasn't always taken a dim view of the federal bureaucracy. Most Americans thought highly of the U.S. government during the late 1950s and early 1960s. According to a 1964 poll taken by the University of Michigan's Center for Political Studies, 64 percent of the American public said they felt the government worked to everyone's benefit. However, from 1965 to 1972, a Harris Poll and surveys by the National Opinion Research Center in Chicago recorded a change. The public's trust in government and other institutions dropped.

POLITICAL UNREST

Pollsters say the decline in public trust was due to the social and political turmoil of the late 1960s and early 1970s. During this time, protesters held a spotlight on unfair laws and practices that discriminated against minorities and women. Overseas in Vietnam, U.S. soliders fought an unpopular war, which caused deep divisions at home. And, in the nation's capital, investigations revealed wrongdoing in the White House and drove President Nixon from office.

The turmoil caused by these events shattered the public's faith in the U.S. government. In 1972, only 38 percent of all Americans surveyed said they felt the U.S. government benefited all people. Fifty-three percent held the view that the government benefited a few big interests—defense contractors for example, or labor unions. During most of the 1970s and early 1980s, public trust in the federal government continued to weaken. Americans' uneasy feelings about the government made them suspicious of all U.S. civil servants—the millions of people who make the U.S. government work.

EFFECT OF THE MEDIA

These suspicions were fueled, experts say, by criticism of bureaucrats

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in the news media. TV, radio, and newspapers often picture public servants as bumbling, insensitive, and unqualified—a stereotype that colors the average citizen's opinion of U.S. bureaucrats.

Also, many citizens blame political leaders—and, by extension, U.S. bureaucrats—for the nation's economic woes. According to *Public Opinion*, a magazine that explores shifts in attitudes, Americans' confidence in the federal government drops during widespread business slowdowns, or recessions. "So long as people get on fairly well, have a job, and so forth, they don't worry about the bureaucracy," said Daniel Katz, a psychologist. To get people focused on the bureaucracy, he said, "It takes an economic depression. People have to be jolted."

NATION OF BUREAUCRATS

John Lukacs, a history professor at Massachusetts's Chestnut Hill College, agrees. "Bureaucracy really doesn't bother people," he said. He points out that a lot of American workers—one in six, in fact—are government bureaucrats, either at the local, state, or federal level.

During hard times, however, Americans do tend to question the ability of the U.S. bureaucracy to govern. Pollsters who track the popularity of Presidents, for example, find that public trust in the President is related to the state of the economy. When unemployment rates are high and prices are rising, the public's confidence in government and politicians tends to drop.

Oddly, what seldom drops are Americans' views of those individual bureaucrats and agencies that they deal with. Katz has studied citizens' encounters with government bureaucracies on local, state, and federal levels. What he found surprised him. People who have a low opinion of the bureaucracy report good experiences with the government agencies and bureaucrats they come into contact with. "People accept the mass media's stereotypes of the bureaucracy as being inefficient, slow, and uncaring," Katz told UPDATE. "But their specific experiences are favorable, in general."

Citizens are often unhappiest with agencies that deal with programs such as welfare. "If the service is perceived as a handout, people report a negative experience," Katz said. For the most part, he feels, the media mold people's attitudes toward public assistance programs and the government agencies that handle them.

Yet he found that most people feel good about services they think they deserve. "If the government service is one that people feel entitled to, such as Social Security, people report a positive experience," Katz said.

TWO WORLDS

Why do people's general attitudes towards government tend to be negative while their specific experiences tend to be positive? Because, Katz feels, Americans live in two worlds. "People live in the world of newsprint and stereotypes," Katz said, "and in the world of real or immediate experience." The real world and the media's distorted description of it get confused in people's minds, he believes.

Katz isn't the only person who believes that the media present a misleading picture of bureaucrats. "Federal employees are shortchanged by the media," said Sandra Arnold of the National Federation of Federal Employees. Arnold believes that the media's portrayal of federal employees as lazy, overpaid, and underworked is unfair. "Federal employees are blamed for government shortcomings," she said, "but these workers are an asset to the government."

The media has its defenders, too. Among them is Paul Fisher, who teaches journalism at the University of Missouri. Stories that seem biased against government workers are often simply reports of bad news, he believes. "The press tends to emphasize the negative because of the nature of the public. Bad news has more news value," Fisher said. In other words, bad news is more interesting than good news—and it sells newspapers.

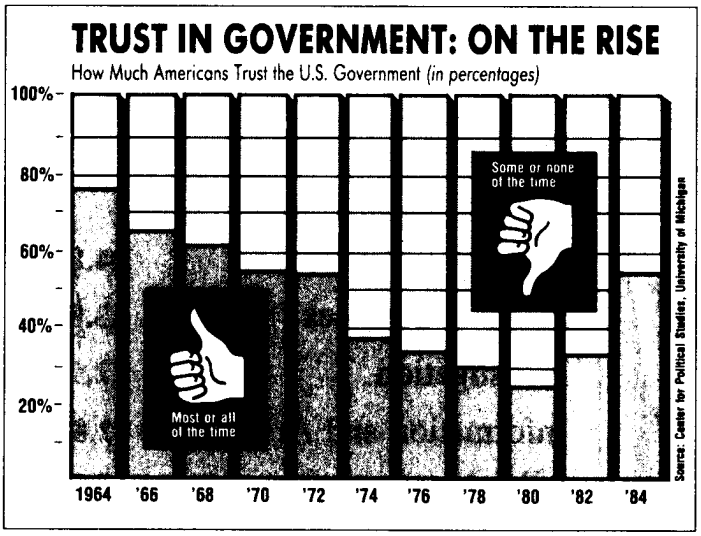
PRESIDENTIAL POWER

Some people call the President the biggest shaper of the public's opinion of the bureaucracy. Jimmy Carter in 1976 and Ronald Reagan in 1980 slammed bureaucrats during their Presidential campaigns. "Both Presidents Reagan and Carter sought to portray federal employees as a problem to get around," Arnold said. "Negative perceptions come from the top. The best way to change public perceptions is to have an administration that respects federal employees and the institution they work for."

Carlucci added a warning. "Two Presidents have run against the federal bureaucracy," he said. "This is a bad practice. It can be a self-fulfilling prophecy." If politicians call the bureaucracy useless, he suggests, in the end it may *become* useless.

For now, public trust in the federal government and the bureaucracy at its core seems to be improving. Revived hopes for long-term economic prosperity and a strong feeling of national strength have boosted America's ego and its confidence in the Presidency. But all these good feelings could evaporate, experts say, if the economy slides downhill. They could also disappear if social problems—crime, for example, or unrest over an unpopular war—come to rule Americans' thoughts. A bureaucrat's life is rarely easy, especially during hard times.

—Lisa R. Rhodes



Trust in government tends to wane during periods of unrest and economic hardship. Last year's relatively upbeat mood, reflected here, helped President Reagan get re-elected.

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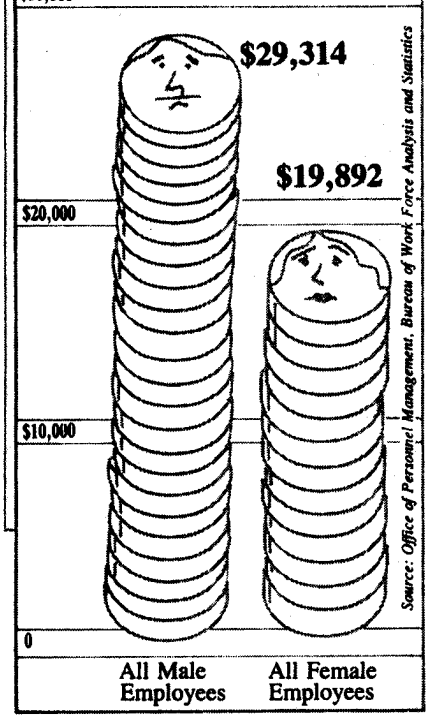
DATABANK

AVERAGE FEDERAL WORKERS' PAYCHECKS, BY SEX

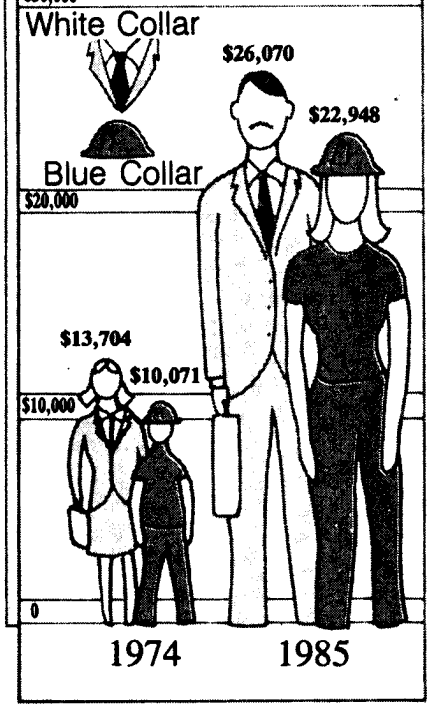
Editor's Note: Excluded are workers in the military, the Postal Service, Congress, Federal Bureau of Investigation, Tennessee Valley Authority, and Library of Congress.



Source: Office of Personnel Management, Bureau of Work Force Analysis and Statistics

AVERAGE FEDERAL WORKERS' PAYCHECKS, BY JOB CATEGORY, 1974 & 1985

(Salary Per Year)



U.S. GOVERNMENT WORKERS: HOW MANY ARE THERE?

	1975	1980	1985
Executive Branch	2,834,000	2,933,000	2,942,390
Legislative Branch	37,000	40,000	38,801
Judicial Branch	10,000	14,000	17,543
Total Employees	2,882,000	2,987,000	2,998,734

HOW MUCH DO WE PAY THEM?

PAYROLL *(Millions of $)*	1975	1980	1985
Executive Branch	$39,944	$56,841	$76,092
Legislative Branch	$589	$883	$1,080
Judicial Branch	$166	$288	$650
Total U.S. Payroll	$40,699	$58,012	$77,822

Source: Office of Personnel Management, Bureau of Work Force Analysis and Statistics

MEN'S WORK—WOMEN'S WORK

(Kinds of Federal Civilian Jobs, by Sex of Employee)

	Percent Female	Percent Male
Clerical, Office	69.4	30.6
Medical, Pub. Health	65.9	34.1
Legal	60.3	39.7
Quality Control, Grading	10.8	89.2
Engineering, Architecture	4.9	95.1
Biological Sciences	14.9	85.1
Physical Sciences	13.8	86.2
Investigation	12.9	87.1
Information and Arts	42.8	57.2
All Jobs	46.2	53.8

Source: Office of Personnel Management, Office of Workforce Information

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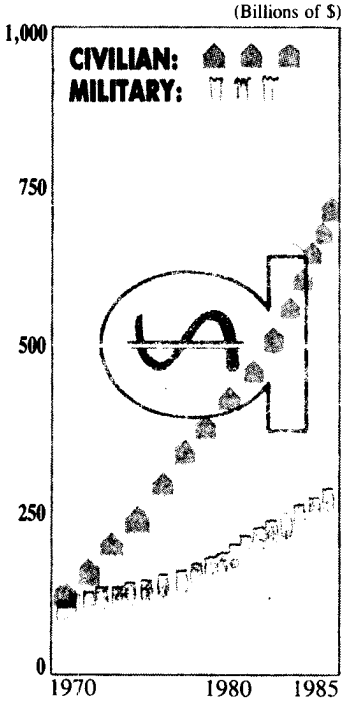
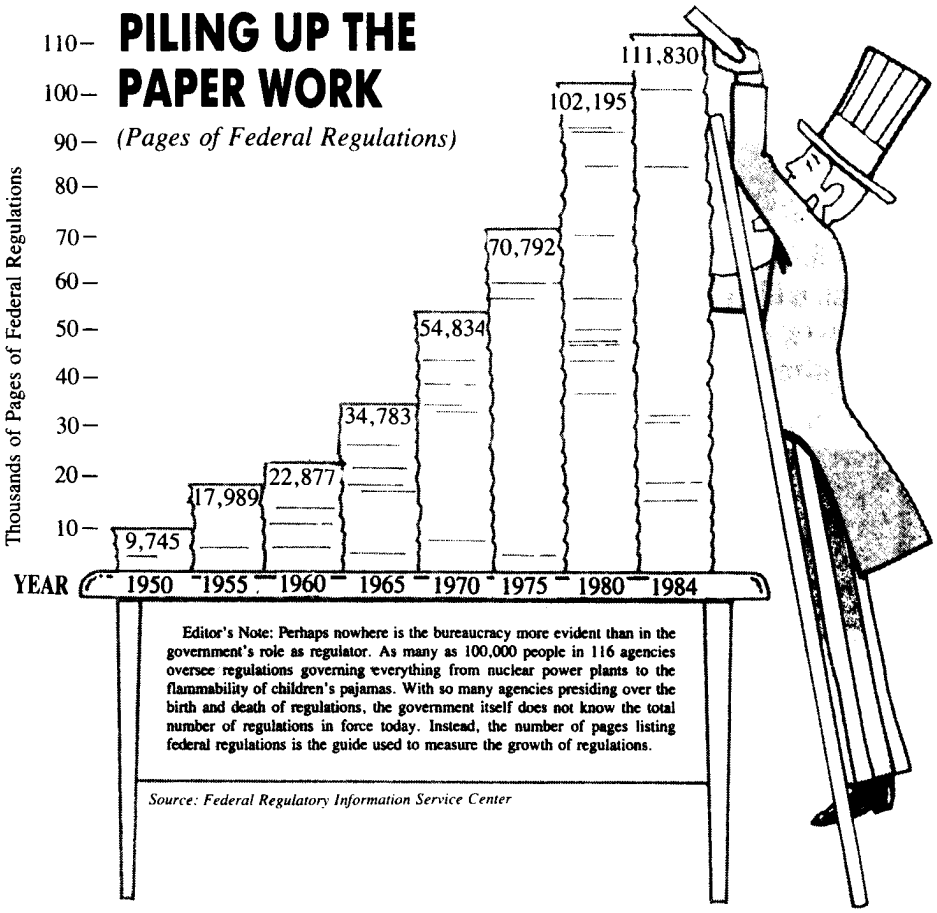
U.S. CIVILIAN & MILITARY SPENDING, 1970-1985



Source: Office of Management and Budget

PILING UP THE PAPER WORK

(Pages of Federal Regulations)



Editor's Note: Perhaps nowhere is the bureaucracy more evident than in the government's role as regulator. As many as 100,000 people in 116 agencies oversee regulations governing everything from nuclear power plants to the flammability of children's pajamas. With so many agencies presiding over the birth and death of regulations, the government itself does not know the total number of regulations in force today. Instead, the number of pages listing federal regulations is the guide used to measure the growth of regulations.

Source: Federal Regulatory Information Service Center

HOW THE EXECUTIVE BRANCH WORKS

President

1. Political leaders—the President and his high-level appointees, including Cabinet officers—produce political goals, such as the upgrading of the military, or the reduction of U.S. spending.

2. These goals are translated into policy decisions—overall plans of how the political goals will be achieved.

3. Superbureaucrats and their assistants turn the broad policy decisions into specific programs that are designed to accomplish political goals.

4. Middle managers convert the program designs into orders, assigning tasks to lower-level bureaucrats.

5. Lower-level bureaucrats carry out the orders and report what happens (their success or failure, for example, and what resources they still need).

6. These reports are sent back up toward the policymakers.

7. Superbureaucrats, having reviewed the reports, can now provide expert information about the programs to department heads, who with the President may alter some policies in hopes of making the programs more effective.

Cabinet officer
(appointed from outside the bureaucracy)

Superbureaucrats
(promoted from below)

Middle managers
(promoted from below)

Lower-level bureaucrats
(hired from general population)

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THREE NATIONS WHERE BUREAUCRATS FIGHT CHANGE

The U.S. civil service isn't the only one on the defensive these days. China's chief has made *bureaucratism* a dirty word. Britain's prime minister wants to "deprivilege" her nation's bureaucrats. And in the Soviet Union, a new leader is confronting resistance to his efforts at bureaucratic reform. A look at these three nations' bureaucracies should make you grateful for the one you know best.

J. Andanson/Sygma

Supreme Leader Deng Xiaoping has made bureaucratic corruption and inefficiency a prime target. "Economic crimes" such as bribery may bring a death penalty.

People's Republic of China: Shaking Up the World's Oldest Bureaucracy

Not long ago in China, a foreign-made offshore oil rig in the Bohai Gulf collapsed, killing many workers. Investigators blamed a bureaucrat in the Ministry of Petroleum. This official had gotten his job solely through Communist Party ties. Knowing little about oil drilling, he hadn't bothered to get the rig's instructions translated into Chinese. The accident stemmed from this oversight.

Nightmares like these have made *bureaucrat* a dirty word in China. *Bureaucratism,* Chinese now say, means "separation from reality and being unconcerned about people."

It wasn't always that way. China invented the professional bureaucracy. In 124 B.C., its leaders opened a university for bureaucrats because they felt that good government required trained civil servants. Applicants had to pass rigorous exams. Once trained, top civil servants were moved to different jobs every three years, to lessen the chance of corruption. They could not serve in their home districts.

The bureaucracy became the glue that held China together for most of its 4,000-year history. Not until a 1911 revolution did it disappear completely.

In 1949, Communists, led by Mao Zedong, took control of China. About 15 years later, Mao decided that his own bureaucrats were becoming an elite group. So in 1965 he launched his "Cultural Revolution," which targeted government officials, teachers, scientists, and other "elites." Some 3 million people, accused of being anti-Communist, lost their jobs. Many were made to clean streets. Others were jailed or even killed. In their place came those whose only merit was their loyalty to Mao.

The result was a disaster. Factories ground to a halt, food production slowed. In pursuit of political purity, China stopped working.

MERIT'S RETURN

China's current chief, "Supreme Leader" Deng Xiaoping, is putting merit back into the civil service. He is emptying the bureaucracy of many who joined it during Mao's time. The number of government ministers has been slashed from 1,000 to fewer than 300. Bureau heads have been cut to 2,500 from 5,000, and executive departments are down to 61 from 98. Moreover, the proportion of college-trained bureaucrats is up from 31 percent to 48 percent. And there is now a "responsibility system." Those who don't perform will be fired—something unheard of in Mao's day.

Beyond this, Deng is looking to the future. In 1983, he unveiled an eight-year plan to train younger, educated Chinese to be leaders. "This represents changes even more sweeping than those [of] the Cultural Revolution," says Hong Yung Lee, a China expert at Yale University.

Problems remain, however. Talent and training may be important again. But the Communist Party remains in control. "The 'technocrats' will not totally replace the 'red' politicians—officials who owe their jobs to their political reliability rather than to their expertise," Hong Yung Lee says.

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United Kingdom: No Amateurs Need Apply

Only the British could create a TV comedy about the bureaucracy. *Yes, Minister*, now running in the U.S. on cable TV, is the story of Sir Humphrey Appleby, Cabinet Minister, and his fruitless attempts to carry out government policy.

Sir Humphrey's downfall is his Permanent Secretary, a bureaucrat who twists his boss's directives. Each episode ends with Sir Humphrey ordering the opposite of what he had originally intended, to which his Permanent Secretary responds, "*Yes, Minister.*"

In Britain, government workers are no longer laughing. Since winning office in 1979, Prime Minister Margaret Thatcher has fought to "deprivilege" the British civil service, where workers have enjoyed job security and benefits unavailable to ordinary citizens. She has cut some 100,000 jobs, trimmed pay raises, and ended automatic pension hikes. Also, she has turned over certain jobs—such as cleaning and night-shift nursing—to private companies.

The result has been a war between Thatcher and the United Kingdom's 630,000 bureaucrats. "Though fighting is intermittent, it almost looks as if a permanent state of war now exists," says Professor F. F. Ridley, a British expert on the civil service.

Jacob Sutton/SP Gamma Liaison

Health Service workers protest pay cuts in Britain. "Workers feel there is a vendetta against them," says F. F. Ridley, a British expert on the bureaucracy.

$2 BILLION STRIKE

Such tensions are not unique to Britain. But some of the battles would be unimaginable elsewhere. In 1981, bureaucrats went on a 21-week strike for higher pay, disrupting tax and statistics collection and slowing defense department work. The strike failed. But the lost taxes and other costs totaled more than $2 billion.

After the strike, the war continued. In 1984, Mrs. Thatcher banned union membership for 7,000 workers at a radio communications center. The workers protested. Others joined them and shut down rail and bus service. The fight ended after the government offered each worker more than $1,000 not to join the union.

Criticism of the British bureaucracy runs deeper than issues of pay and pensions. Many critics say the civil service is not up to the demands of a new, technological age. Richard Rose, a British historian, says the problem lies with a long tradition of picking high-level civil servants only from liberal arts graduates. "It is an education that stresses intelligence, rather than a mind skilled at constructing things," Rose says.

Another critic is harsher. "The civil servant looks at himself as a man who advises the Minister on policy. Carrying out a road program is below the dignity of a gentleman."

Disdain for down-to-earth projects resulted in a bureaucracy where few were qualified to oversee industry or make economic policy. A survey in the 1960's found that 83 percent of one high-level group of civil servants lacked engineering or management training. "The civil service lacks expertise, and this has led to decades of mistaken policies," says F. F. Ridley. "The criticism is summed up in the word *amateurism*." To upgrade the bureaucracy, Mrs. Thatcher has appointed some 200 people with management and technical expertise.

Ironically, it was a bureaucrat who kicked off Mrs. Thatcher's campaign. Angered when his money-saving ideas were ignored, he told his story in a 1978 book called *Your Disobedient Servant*. Mrs. Thatcher took office the next year. *(Please turn to page 34)*

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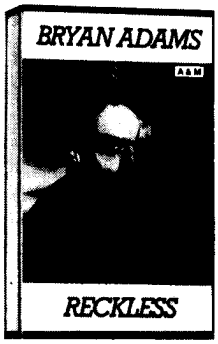
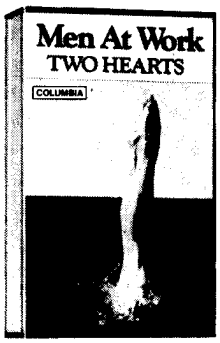
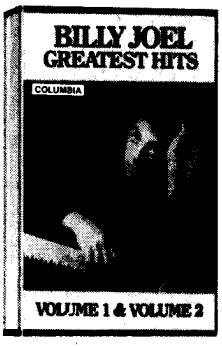
LOOK WHO'S IN THE



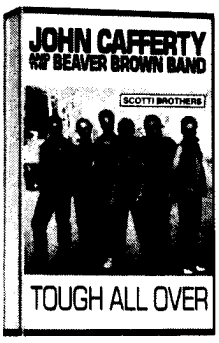
331264. "His best to date!"—*People.* Top 10 hit *Run To You;* much more.



335604. Australian supergroup's latest! Hit *Everything I Need; Giving Up;* etc.



336396/336390. *You're Only Human; ...Longest Time; Uptown Girl; Piano Man;* etc.



335349* The "Eddie & The Cruisers" band! Title smash; *Small Town Girl;* many more.

330902. Blockbuster album! *Everything She Wants; Careless Whisper; much more.*

307967 PHIL COLLINS *FACE VALUE*
335778 HANK WILLIAMS JR. FIVE-O
332890 DAN FOGELBERG High Country Snows
336792 JOHN ANDERSON *TOKYO, OKLAHOMA*
336420* ATLANTIC STARR As The Band Turns
336901* CARLY SIMON *SPOILED GIRL*
335639 MERLE HAGGARD *HIS BEST*
335232* RICK JAMES *GLOW*
334466 *GEORGE STRAIT GREATEST HITS*
334391* *WHITNEY HOUSTON*
331975* *GIUFFRIA*
331249 RAY STEVENS *"HE THINKS HE'S RAY STEVENS"*
330845 PAT BENATAR *TROPICO*
329631 RICKY SKAGGS *COUNTRY BOY*
331892 BARBRA STREISAND *EMOTION*
334078* *JESSE JOHNSON'S REVUE*
334441 KENNY ROGERS *LOVE IS WHAT WE MAKE IT*
335638 THE MANILOW COLLECTION BARRY MANILOW 20 CLASSIC HITS
335885 THE STATLERS Pardners In Rhyme
335919* JEFF BECK *FLASH*
336503* KING *STEPS IN TIME*
332197 DON HENLEY BUILDING THE PERFECT BEAST
333278 MICK JAGGER *SHE'S THE BOSS*
335612 *THE BEACH BOYS*

335810 ORIGINAL SOUNDTRACK THE GOONIES
335422 JANIE FRICKE *SOMEBODY ELSE'S FIRE*
334060 *ANIMOTION*
333625 EMMYLOU HARRIS—*THE BALLAD OF SALLY ROSE*
333013* KLYMAXX *MEETING IN THE LADIES ROOM*
332460* COMMODORES *NIGHTSHIFT*
332221* BOB DYLAN *REAL LIVE*
331793* AL JARREAU *HIGH CRIME*
331744 JULIAN LENNON *VALOTTE*
330928* DOKKEN *TOOTH AND NAIL*
330258 KISS *ANIMALIZE*
329664 WYNTON MARSALIS Hot House Flowers
323675 OZZY OSBOURNE Bark At The Moon
319624 ZZ TOP *ELIMINATOR*
321307 AIR SUPPLY *GREATEST HITS*
328930* JOHN WAITE *NO BRAKES*
331157 ANNE MURRAY *HEART OVER MIND*
331884 BARRY MANILOW *2:00 AM PARADISE CAFE*
332965 DAVID ALLAN COE *DARLIN', DARLIN'*
333666 GEORGE THOROGOOD AND THE DESTROYERS *MAVERICK*
333906 TAMMY WYNETTE *SOMETIMES WHEN WE TOUCH*
334094 THE BEST OF REBA McENTIRE
335786 JOHNNY LEE *KEEP ME HANGIN' ON*
333294 *THE FIRM*

336511* RATT *INVASION OF YOUR PRIVACY*
335802* BON JOVI *7800° FAHRENHEIT*
333617 DAVID SANBORN *STRAIGHT TO THE HEART*
330183 REO SPEEDWAGON *Wheels Are Turnin'*
329003* SAMMY HAGAR *VOA*
328906 EXILE *KENTUCKY HEARTS*
322412 John Cougar Mellencamp UH-HUH
321976 AC/DC Flick Of The Switch
319822 DAVID BOWIE *LETS DANCE*
318089 MICHAEL JACKSON *THRILLER*
317149 *DAN FOGELBERG GREATEST HITS*
314708 JOHN COUGAR *AMERICAN FOOL*
306225 AEROSMITH'S GREATEST HITS
314443 NEIL DIAMOND 12 GREATEST HITS
317099 STEELY DAN *GOLD*
318154 DURAN DURAN *RIO*
319962 LOVERBOY *KEEP IT UP*
328781 BILLY SQUIER *SIGNS OF LIFE*
328955* DIO The Last In Line
329979 STEVIE WONDER *The Woman In Red*
331496* PHILIP BAILEY Chinese Wall
331694* DEEP PURPLE Perfect Strangers
333955* THE BREAKFAST CLUB *ORIGINAL SOUNDTRACK*
335646 PAUL YOUNG *The SECRET OF ASSOCIATION*

335752* *LONE JUSTICE*
335356* CHEAP TRICK *STANDIN' ON THE EDGE*
334417 ERIC CLAPTON *BEHIND THE SUN*
330175 CULTURE CLUB *WAKING UP WITH THE HOUSE ON FIRE*
329177* THE TIME Ice Cream Castle
328435 MUSIC FROM THE MOVIE PURPLE RAIN *PRINCE AND THE REVOLUTION*
321018 BILLY JOEL An Innocent Man
318550 DEF LEPPARD *PYROMANIA*
317768 EAGLES *GREATEST HITS • VOLUME 2*
315895 STRAY CATS Built For Speed
291641 JIMI HENDRIX *SMASH HITS*
336354* NILS LOFGREN *FLIP*
267351 DIANA ROSS' GREATEST HITS
306241 THE DOORS *GREATEST HITS*
316992 LIONEL RICHIE
318352 JOURNEY *FRONTIERS*
320499 THE POLICE *SYNCHRONICITY*
321380 Barbra Streisand's Greatest Hits, Vol. 2
322032 PAT BENATAR *LIVE FROM EARTH*
329508* SURVIVOR *VITAL SIGNS*
330696 OAK RIDGE BOYS GREATEST HITS, 2
333682 Alan Parsons Project VULTURE CULTURE
335026 BEST OF *EXILE*
333260* DAVID LEE ROTH NEW ALBUM Crazy From The Heat

336446* HOOTERS *NERVOUS NIGHT*
335281* MILES DAVIS You're Under Arrest
333591 ORIGINAL SOUNDTRACK *VISION QUEST*
333195 GEORGE BENSON *20/20*
332403 TRIUMPH *THUNDER SEVEN*
332338* TEENA MARIE *STARCHILD*
331348* *THE VOLUME ONE* NEW ALBUM *HONEYDRIPPERS*
330514 *NEW EDITION*
328534 THE NITTY GRITTY DIRT BAND *PLAIN DIRT FASHION*
323774 KENNY ROGERS 20 Greatest Hits
316224* *EDDIE MURPHY*
318071 LED ZEPPELIN *CODA*
320630 *QUIET RIOT METAL HEALTH*
322024 HUEY LEWIS AND THE NEWS • *SPORTS*
335067 JOHNNY CASH, WAYLON JENNINGS, WILLIE NELSON, KRIS KRISTOFFERSON *HIGHWAYMAN*
329904 JOHN SCHNEIDER Too Good To Stop Now
330761 DAVID BOWIE *TONIGHT*
333807 MERLE HAGGARD *KERN RIVER*

336305 NIGHT RANGER *7 WISHES*
335620 *AIR SUPPLY*
336552* SHANNON *DO YOU WANNA GET AWAY*
336206 ATLANTA
335224* 'TIL TUESDAY *VOICES CARRY*
334425 CRYSTAL GAYLE *NOBODY WANTS TO BE ALONE*
333351* ACCEPT *METAL HEART*
328658 JULIO IGLESIAS 1100 Bel Air Place
328625 GLENN FREY *THE ALLNIGHTER*
329581* BILLY OCEAN *SUDDENLY*
333344 *WILLIE NELSON ME AND PAUL*
334110 CHARLY McCLAIN *RADIO HEART*
334151* RAVEN *STAY HARD*
334185 WEATHER REPORT *SPORTIN' LIFE*
334433 CONWAY TWITTY *DON'T CALL HIM A COWBOY*
335174* LOUDNESS *THUNDER IN THE EAST*
335828 T.G. SHEPPARD Livin' On The Edge
336198* DEPECHE MODE Some Great Reward

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314997 394999 STEVIE WONDER *HIS GREATEST HITS*
331579* 391573 ERIC CLAPTON, JEFF BECK & JIMMY PAGE—WHITE BOYS BLUES
320705 390708 BOB SEGER & THE SILVER BULLET BAND *LIVE BULLET*
308049 398040 CREEDENCE CLEARWATER REVIVAL Featuring John Fogerty
324848 394841 PRINCE *1999*

305359 395350 Bruce Springsteen THE RIVER
335273 395277 MOE BANDY *BARROOM ROSES*
326173 396176 STYX *CAUGHT IN THE ACT LIVE*
307447 397448 Lynyrd Skynyrd Band GOLD & PLATINUM

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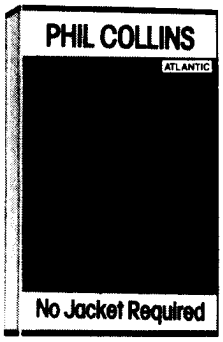
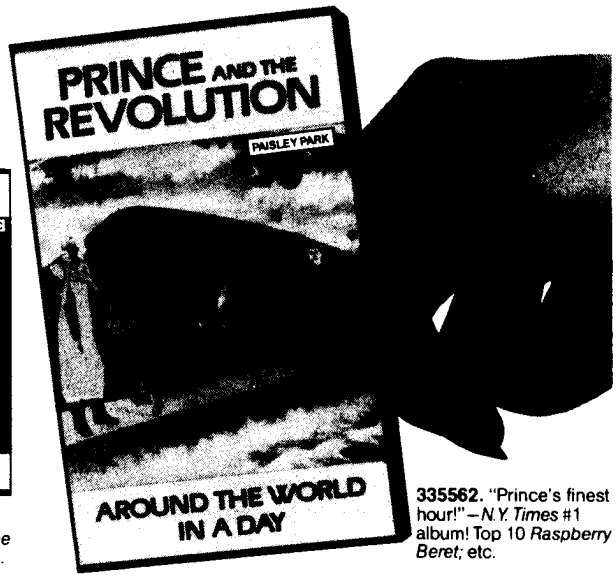
CLUB NOW!

334052. Top 10 smash *Don't Come Around Here No More:* hit *Make It Better; many more.*

331645. Top 10 album smash! #1 title hit; *Material Girl; Angel; etc.*



333286. "Exhilarating!"—*Variety.* #1 album & hit *One More Night; Sussudio;* etc.



335562. "Prince's finest hour!"—*N.Y. Times* #1 album! Top 10 *Raspberry Beret;* etc.

335711* EMI AMERICA — LIMAHL *Don't Suppose*	335653 MCA — BARBARA MANDRELL'S GREATEST HITS	336230* ROCK 'N' ROLL RECORDS — "WEIRD AL" YANKOVIC *DARE TO BE STUPID*	334458 CAPITOL/CURB — SAWYER BROWN	336214 ES PARANZA RECORDS — ROBERT PLANT Shaken 'n' Stirred	332932* PORTRAIT — SADE *DIAMOND LIFE*
331967 ATLANTIC — FOREIGNER Agent Provocateur	328369* ATLANTIC — TWISTED SISTER *STAY HUNGRY*	327908 COLUMBIA — SCANDAL *WARRIOR*	326082 COLUMBIA — STEVE PERRY *STREET TALK*	327858 GEFFEN — ELTON JOHN Breaking Hearts	326629 COLUMBIA — Bruce Springsteen Born In The U.S.A.
336008* FULL MOON/WARNER BROS. — JOE WALSH *THE CONFESSOR*	327288 FULL MOON/WARNER BROS. — *CHICAGO 17* · Chicago is a registered trademark	324996 ELEKTRA — THE CARS *HEARTBEAT CITY*	324616 PORTRAIT — CYNDI LAUPER *SHE'S SO UNUSUAL*	322933* COLUMBIA ENTERTAINMENT — EDDIE MURPHY: *COMEDIAN*	334854* COLUMBIA — BILL WITHERS WATCHING YOU WATCHING ME
328245 PASHA — QUIET RIOT Condition Critical	326512 MCA — NIGHT RANGER Midnight Madness	323188* SCOTTI BROS. — ORIGINAL SOUNDTRACK *EDDIE AND THE CRUISERS*	312389 ATLANTIC — AC/DC FOR THOSE ABOUT TO ROCK WE SALUTE YOU	322438 ATCO — YES *90125*	335935 COLUMBIA — ROSANNE CASH Rhythm And Romance
327130 MOTOWN — *THE BEST OF MICHAEL JACKSON*	325738* ATLANTIC — RATT OUT OF THE CELLAR	314401 WARNER BROS. — VAN HALEN *DIVER DOWN*	312314 COLUMBIA — CHICAGO'S GREATEST HITS, Vol. 2 · Chicago is a registered trademark	324582 WARNER BROS. — VAN HALEN *1984*	332072 MCA — ORIGINAL SOUNDTRACK *BEVERLY HILLS COP*
325928 ATLANTIC — LAURA BRANIGAN *SELF CONTROL*	323162 ATLANTIC — GENESIS	254995 CAPITOL — *BEST OF THE BEACH BOYS*	324632 COLUMBIA — JUDAS PRIEST DEFENDERS OF THE FAITH	328237 COLUMBIA — RAY CHARLES *FRIENDSHIP*	332940* EPIC — LUTHER VANDROSS *THE NIGHT I FELL IN LOVE*
324418* SIRE — MADONNA	323444 ELEKTRA — MOTLEY CRUE *SHOUT AT THE DEVIL*	314047 GEFFEN — *ASIA*	332304* ATLANTIC — *JOHN PARR*	334953 CAPITOL — MEL McDANIEL *LET IT ROLL*	336222* WARNER BROS. — DIRE STRAITS Brother In Arms
325852 MERCURY — RUSH *GRACE UNDER PRESSURE*	323915 CHRYSALIS — BILLY IDOL *REBEL YELL*	323261 MOTOWN — LIONEL RICHIE Can't Slow Down			
335158* ELEKTRA — GRAHAM PARKER & THE SHOT *STEADY NERVES*	324475 SIRE — PRETENDERS Learning To Crawl	324921 COLUMBIA — ORIGINAL SOUNDTRACK *FOOTLOOSE*			
335927* COLUMBIA — MARVIN GAYE Dream Of A Lifetime	325845 MERCURY — SCORPIONS Love At First Sting	335109 MCA — *LEE GREENWOOD GREATEST HITS*			
335950 WARNER BROS. — EARL KLUGH *SODA FOUNTAIN SHUFFLE*	328302* CAPITOL — TINA TURNER *PRIVATE DANCER*	334987 CHRYSALIS — *GO WEST*			
331660* DELUTE — KOOL & THE GANG *EMERGENCY*	334995* COLUMBIA — ALISON MOYET *ALF*	335117 MCA — JOHN SCHNEIDER TRYIN' TO OUTRUN THE WIND			
335265* A&M — SUPERTRAMP *BROTHER WHERE YOU BOUND*	333971* GORDY — MARY JANE GIRLS *ONLY FOUR YOU*	334375* GORDY — DEBARGE Rhythm Of The Night			

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How the Club operates: every four weeks (13 times a year) you'll receive the Club's music magazine, which describes the Selection of the Month for each musical interest...plus hundreds of alternates from every field of music. In addition, up to six times a year you may receive offers of Special Selections, usually at a discount off regular Club prices, for a total of up to 19 buying opportunities.

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☐ **EASY LISTENING** *Carpenters, Mantovani Orch., Johnny Mathis*
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(Continued from page 31)

Soviet Union: A New Party Chief Struggles with an Unmovable Force

Crocodile, the Soviet humor magazine, once printed a cartoon showing two workers in a bolt factory. Dangling from a crane was a bolt the size of a small house.

"Well, comrade," says one man, "we made our production quota—10 tons of bolts."

Readers got the message. The bureaucracy controls every element of the Soviet government and economy. And to these bureaucrats, filling one's quota—the output required of a worker or a factory—is all important. Everything else—the quality of a product, the demand for it, the cost of manufacturing it—is secondary.

As with most good jokes, the subject of this one is deeply serious. Inefficiency, corruption, and mismanagement are real problems in the Soviet Union. Newspapers tell of managers who skim funds, freight trains that mysteriously disappear, and endless bureaucratic paperwork.

TOLL ON SOCIETY

All these problems take their toll on the Soviet economy and the citizens who must live with it. In 1984, the Soviet gross national product (GNP)—the value of all goods and services produced in a year—dropped below 1983's GNP and far below 1964's. Roads, phone service, and the quality of consumer goods are generally poor. Many items that we in the West take for granted are in short supply. When shipments of shoes or sausages arrive, for example, Soviet workers may flee their desks to shop.

What's wrong with the Soviet system of supplying goods and services? Critics blame the vast, centralized government bureaucracy. "The economy cannot respond to changing conditions except by going through an enormous bureaucracy," says a U.S. diplomat in Moscow. "The system is deadening."

SECRET RECOMMENDATIONS

Some Soviets agree. In 1983, a team of economists wrote a secret report attacking "centralized methods" that restrict initiative. The study, which was leaked to Western reporters, accused government bureaucrats of treating workers and managers like "cogs in a machine." The study urged a "profound decentralization of the outdated" system.

Yuri Andropov, the late Soviet leader, responded. First, he got police to chase shoppers back to work. Next, he began a "Five Ministries" plan. Under the plan, 2,300 electrical and heavy equipment plants—12 percent of Soviet industry—set their own rules

Tass/Gamma Liaison

Mikhail Gorbachev, right, is determined to eliminate waste and improve factory and farm production. "But he will have to shove [reform] down the throats of the bureaucracy," says Seweryn Bialer, a Columbia University Soviet expert.

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and quotas. He also okayed higher pay for the most productive workers.

Mikhail Gorbachev, the new Soviet leader, is expanding Andropov's idea. His speeches are peppered with demands for discipline, initiative, and "a profound restructuring" of the Soviet economy.

But Gorbachev faces trouble. For openers, the bureaucracy—known as the *nomenklatura*—is huge. Between 750,000 and one million *top* bureaucrats run everything from airplane plants to high schools. "All the key positions of the state, culture, trade, sport, the military, down to local farm leaders, include members of the *nomenklatura,*" says Michael Voslensky, an expert on the Soviet bureaucracy. A Russian, he now lives in West Germany.

A CLASS SYSTEM

Voslensky calls the *nomenklatura* "a class system." It maintains its position at the top of Soviet society, he says, solely by "holding a monopoly of every kind of power and controlling virtually every means of production." What's more, the system, created to keep loyal Communists in control, prevents firings for all but the most outrageous offenses.

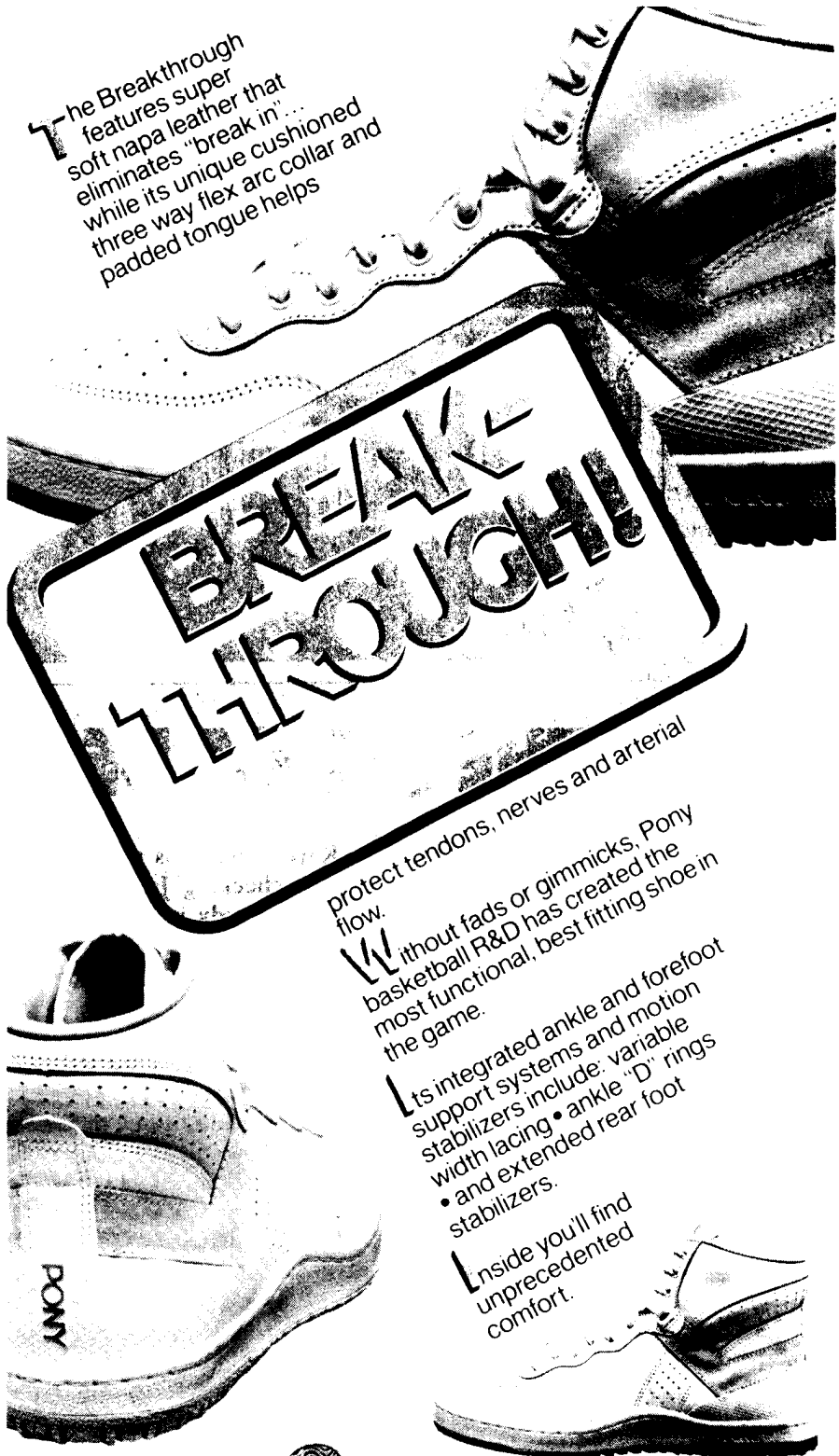
"Gorbachev is very impressive at shaking things up," says Marshall Goldman of Harvard's Russian Research Center. "He's bringing in all his boys. But it's very doubtful that he can pull it off. The system is too strongly embedded."

Stephen Cohen, a specialist on Soviet affairs, agrees. "Every Soviet leader . . . has tried to reform the hypercentralized system," says Cohen, who teaches at Princeton University. "Each has been defeated by the vast and powerful bureaucracy."

There are signs that Soviet bureaucrats expect to beat back Gorbachev's efforts at reform, too. *Izvestia,* the government newspaper, recently attacked bureaucrats who refuse "to relinquish [their] petty tutelage."

The problem, many experts say, is that in the Soviet Union the bureaucracy *is* the system, and the system *is* the bureaucracy. A U.S. expert on the Soviet Union put it this way: "In looking for faults to fix, the Soviets might remember Pogo [a U.S. comic strip character], who said, 'We have met the enemy, and he is us.' "

— Peter M. Jones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ON THE SET OF DESERT BLOOM

It takes many people to make a movie. Could you do one of their jobs? Actually, you already have a job of your own. Read on to find out about it.

The glow on the other side of the hill comes from Tucson, Arizona. Back here, where we are, the only light comes from the generators the crew brought out this afternoon.

We're out in the desert for the filming of some scenes from *Desert Bloom*, an upcoming movie starring Jon Voight, JoBeth Williams, and teenagers Annabeth Gish and Jay Underwood. The film is about a young girl growing up in Las Vegas in 1950. That's when government above-ground testing of atomic devices was just getting started. Tonight's work requires three main actors and several extras in front of the camera, and 100 people behind it.

Hilary Rosenfeld is the costume designer. Her job began before the film was cast. "We could collect parts of some costumes, but many had to wait and be built to size," she says. "We had to have everything we might possibly need on hand in advance."

Kaye Pownall is the hairstylist. She is checking Jay Underwood, who is already in costume. Is his hair right for 1950? It's short enough, Kaye knows, but "too thick on top." Out come the scissors and the barber's apron.

During the day, Lester Harmondson is an astronomical engineer. He has helped build some of the largest telescopes in the country. Tonight he's on the set of *Desert Bloom* with an army truck he owns. He's rented the truck to several other productions. "The last movie it was in, it had eight seconds of screen time. I wound up making $800 a second."

Tonight's shooting calls for the teenagers to take a ride with a farmer who's bringing sheep from Las Vegas to Reno. Gary (Festus) Lassiter is the sheep handler. He makes sure the sheep are safe and warm under a canvas between shots. Then he comes over to the space heater to get warm himself. "I've been wanting to work on a movie for 18 years," he confides. Is it what he expected? "Yup, a lot of hurry up and wait."

Jani (Skeeter) Wheaton's usual job is bartending. On the set of *Desert Bloom*, she's a stand-in. She stands in place while the lighting is being set up for a shot. "They hired me to stand in for (actress) Ellen Barkin," Skeeter says. "But it turned out I'm close in size to JoBeth and Annabeth, too. So I stand in for all of them."

Cookie Knapp is the tutor. By law, child actors and children of people working on the movie must have at least two hours of schooling every day. Cookie's class often changes in age range and number. "I've turned it into a 'little red schoolhouse,'" she says. "The older ones help the younger ones. They do independent study, too. They check in with me first for assignments and then with completed work."

Ned Dowd has several jobs. Tonight he's first assistant director. That means he's everywhere at once, walkie-talkie in hand, coordinating the set. "Move the sheep back so we can get the prop truck out. Where are the chairs for the stars? Roll 'em!" What's next, Ned? "We're hanging the moon."

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Ray Villalobos is the cinematographer. He makes sure the camera sees what the director wants it to. Ray supervises "the hanging of the moon." He points up at the tent-like structure suspended by a crane 75 feet above our heads. Glowing through the cloth, the lights inside create the "moonlight" effect the director needs.

Steve Rubin is the unit publicist. "I write the Friday newspaper for the cast and crew. I write press releases to send out to newspapers and magazines. I organize cast parties. I bring writers like you onto the set so you can tell your readers about the movie firsthand."

Making a movie is an enormous team effort. As a matter of fact, you and I are part of the team.

I'm a movie reviewer. I write articles about movies, and, if I've been able to see them in advance, I tell you my opinion. The information might help you decide whether to see the production yourself, or it might just tell you something you didn't know before.

In a way, *you* are the most important member of the team. You're the one who decides whether or not to buy a ticket. And in the end, that's what really keeps the shows going on.

—Dorothy Scheuer

Annabeth Gish in *Desert Bloom*

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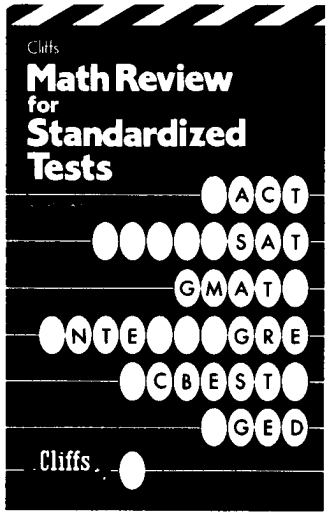

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WORDSEARCH

A	E	X	E	C	U	T	I	V	E	R
E	G	M	E	H	A	Y	E	S	L	D
E	C	R	I	N	S	L	A	K	A	P
C	T	T	I	R	E	I	Y	N	N	R
R	C	A	F	C	C	R	T	A	O	I
E	C	I	T	S	U	J	G	B	I	V
M	A	O	N	S	R	L	A	Y	T	I
M	R	F	A	A	I	L	T	O	A	L
O	P	E	R	L	T	B	M	U	N	E
C	R	A	G	T	Y	B	F	E	R	G
T	W	N	O	I	T	A	C	U	D	E

The words on the list are hidden in the diagram. When you find them, circle them. Each word runs in a straight line. Some of them run on a slant, or backwards. (See *LABOR*, in the example.)

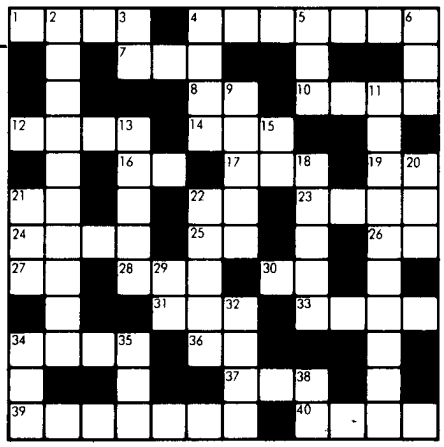
Seven letters will be left over. In order, they spell two words used to describe official procedures that often prevent quick action in bureaucracies:

_ _ _ _ _ _ _

Agriculture	Elector	FTC	National Security*
Banks	Energy	Grant	OMB
CIA	Executive Privilege*	Hayes	SALT
Commerce	FAA	ITC	State
Crime	FBI	Justice	Treasury
Education	FCC	Labor	War

*Written as separate words in diagram.

CROSSWORD



*Starred clues refer to the theme of this issue.

ACROSS

*1. ___ President.
*4. Head of the Justice Department: Attorney ___.
*7. Abbr. for 33 Across.
8. Right (abbr.).
10. Start over again.
*12. Third Vice President.
14. Years, for short.
16. Poet Cummings' first two initials.
*17. Atomic Energy Comm.
19. Tin, to a chemist.
21. You, in Paris.
22. Bank certificate of deposit.
23. One who farms.
*24. Emergency Recovery Tax Act.
25. Male pronoun.
26. Between VA and SC.
27. Pa's mate.
28. No Middle Initial, to the Army.
30. East of MD.
31. Rock composer Brian.
*33. ___ and Drug Administration.
*34. Presidential nay to legislation.
36. Alcoholics Anon.
*37. Constitutional limit of terms a President can serve.
*39. Accuse a President of "high crimes and misdemeanors."
*40. Thirty-eighth President.

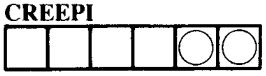
DOWN

*2. Formally install in office, as with a President.
3. Sixth letter of alphabet.
*4. 1984 Presidential aspirant Hart.
*5. Environmental Protection Agcy.
*6. What the President must enforce.
*9. Federal ___ Commission.
*11. President, 1953-1961.
*13. In the White House, he is 18 Down.
15. Opposite of SW.
*18. ___ of Staff.
*20. Federal agency that succeeded 17 Across.
*21. Pro ___ of the Senate, third in line for the Presidency.
*22. Nation with world's oldest bureaucracy.
29. Northeastern-most state in the U.S.
*32. ___ of Office.
34. Half XIV.
*35. Number of terms served by President Carter.
38. Old French (abbr.).

SCRAMBLER

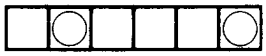
Unscramble the letters in each of the four words listed below. Each word will spell a United States President. Write the Presidents in the spaces provided. The encircled letters. when rearranged, will answer the riddle.

CREEPI



NUMRAT

SWOLIN



ANUBNACH

Riddle: A key piece of furniture in the federal *bureau*cracy?

Answer: The President's

_ _ _ _ _ _ _!

Answers in your teachers' edition.

Puzzles created by Andrew Gyory.

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TUNING IN TO YOUR EARS

by James A. Baggett

Your ears can pick out about 400,000 sounds. They can tell the difference between the sound of water dripping, the shattering blast of a gunshot, and the gentle rustle of leaves in the autumn breeze—even when you hear all three at the same time.

Unfortunately, one out of every 12 Americans suffers from some degree of hearing loss. Many of these hearing problems are caused by hearing too many noises that are too loud.

"The day after a rock concert, my office gets flooded with teenagers complaining about ringing in their ears or hearing loss," says Dr. Alvin Katz, Surgeon Director of the Manhattan Eye, Ear, and Throat Hospital in New York City. Loud music, as any other loud noise, is dangerous. How much noise is too much, though?

Sound waves and the pressure they exert on your ears are measured in decibels (db). A quiet whisper, for example, equals about 25 db; normal conversations are about 60 db; and urban traffic gets as high as 95 db.

Constant exposure to 85 db or above can cause permanent damage to your hearing. The source of the sound does not matter—whether it's rock music or a motorcycle engine. The damage is caused by the *volume* of the sound, not the quality. Once hearing is damaged, usually only a hearing aid can help. Eventually, you can lose all your hearing if you continue to listen to too much noise at a high volume.

To help prevent hearing loss and deafness, lower the volume on your stereo, TV, radio, electric guitar, and other sound-producing electronics. The volume is low enough if you can hear other sounds around you easily.

If you can't help being around continuous loud noises, such as those produced by a lawn mower, a vacuum cleaner, trucks, or planes, wear earplugs, earmuffs, or even a helmet. Have your hearing checked by your doctor regularly to be sure the protection you're using is working.

Dr. Katz gives a special caution about personal stereos such as the Walkman. "All the sound is concentrated in the ears," he explains. "This is not the case when we speak or we listen to the radio because some of the sound is lost in the air."

Dr. Katz thinks that most people keep the volume too high on their Walkman, and urges people to lower it. It may seem strange at first, but you'll get used to it—and your ears will thank you in the long run.

Illustration by Phil Scheuer

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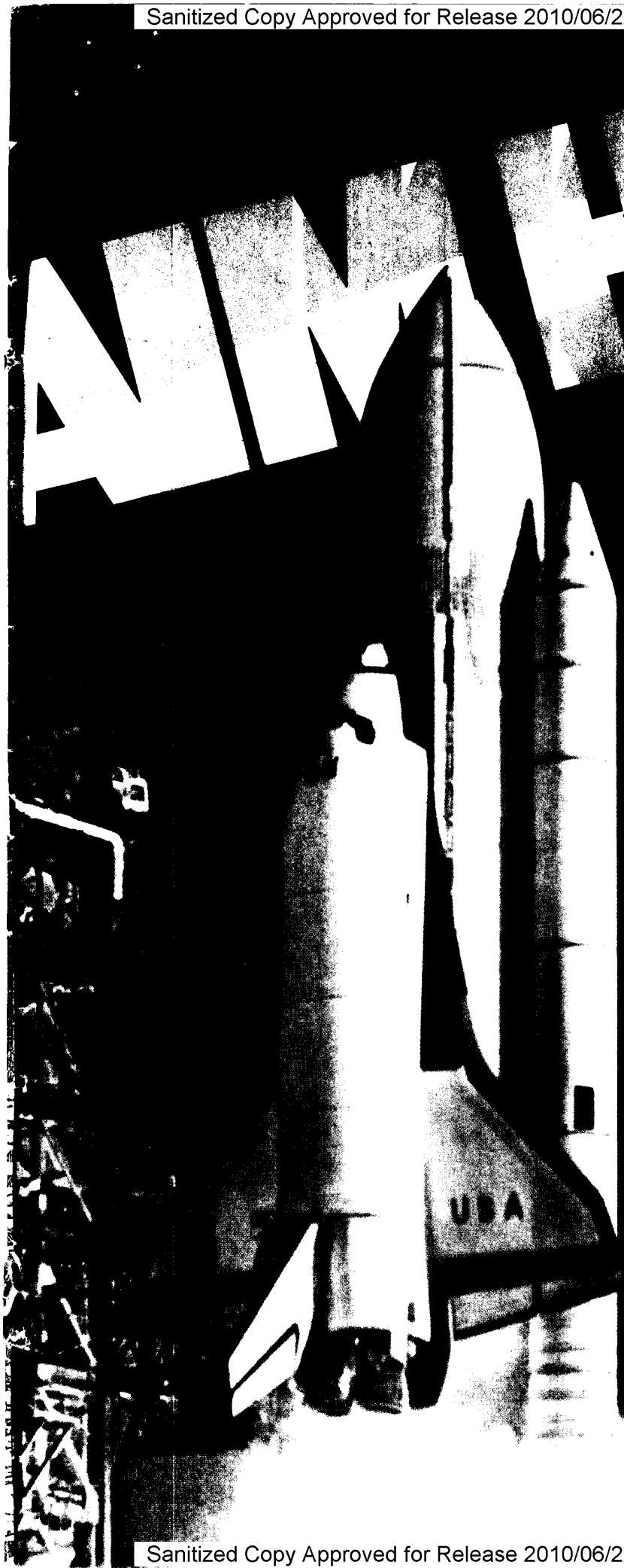
AIM HIGH



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3 FEB 1986

ANTHONY WAYNE SMITH
ATTORNEY AT LAW
DISTRICT OF COLUMBIA
NEW YORK

1101 Fourteenth St., NW - Suite 1000
Washington, DC 20005 - (202)289-5009

February 3, 1986

STAT

Hon. William J. Casey, Director
Central Intelligence Agency
Washington, D.C. 20505

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Dear Director Casey:

It was fine to hear from our mutual friend, [redacted] that you are willing to be interviewed for half an hour by a senior editor of Scholastic Magazines.

Scholastic is the world's largest publisher of supplemental educational materials for grade and high school students. We publish some 35 magazines and reach an audience of about ten million students and teachers. Your interview will appear in Scholastic Update which is our magazine for high school seniors, with an audience of about 1,200,000 twice a month during the academic year.

I am a New York and Washington attorney, specializing in cabinet-level federal government contacts. I was one of Bill Donovan's first legal associates when he opened his practice in Broad Street, later Wall Street, as Donovan, Leisure, Newton and (then) Lumbard. I am special consultant to Scholastic, Inc., with respect to top-level government matters in Washington. [redacted]

The subject of the interview is to be the intelligence gathering machinery of the United States Government, particularly the CIA. The editor of Update, Eric Oatman, will be sending your very able and courteous secretary, [redacted] a general description of the questions we would like to cover; such as, why do we have a CIA? How does the CIA relate to the other information-gathering agencies such as DIA? What is the place of the information agencies in the government? What other functions do they serve in addition to information? The idea is to give our school children an accurate idea of the intelligence gathering needs of the country and how we meet them.

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Obviously, this is a teaching job that only you yourself can undertake in person, and we are grateful for your generosity in time and effort. Mr. Oatman will be closely in touch with [redacted] in making the arrangements.

With renewed thanks,

Cordially yours,

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Anthony Wayne Smith

AWS/pbj
P.S. I sent you a cop6y of a recent issue of Update as a sample by courier this past Friday through [redacted]

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